

GMS Flash Alert

Employment Law

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United Arab Emirates – Projects of the 50 Reform by Nafis Programme Enacted

The United Arab Emirates (UAE) has enacted substantial reforms to the Nafis (meaning “to compete” in Arabic) programme, part of the “Projects of the 50.” The reforms include the removal of child allowance caps, new and expanded salary support schemes for Emiratis in the private sector, and extended coverage for Emirati mothers and families. These measures are scheduled for phased implementation beginning September 2026.¹

WHY THIS MATTERS

These reforms may have significant implications for HR leaders, payroll managers, global mobility teams, and Emirati employees across the private sector. The unlimited child allowance and enhanced salary support is expected to directly affect compensation structures, payroll administration, and benefits planning.

The reforms may influence Emirati talent attraction and retention in the private sector, potentially affecting mobility policies, cross-border assignments, and the calculation of family-related benefits for globally mobile Emiratis. For Emirati families, the changes may ease financial burdens and improve stability, especially for larger households and mixed-nationality families.

Background

The Nafis programme was launched under the Projects of the 50 in 2021 to boost Emirati employment in the private sector and included initiatives such as salary support, child allowance, and pension subsidies. Prior to the recent reforms, the child allowance was capped per family and salary support was more restrictive. Emirati mothers working in the private sector and their children had limited access to programme benefits, and salary support was less differentiated by educational attainment.

Key Reform Highlights

In April 2026, the UAE Cabinet approved an overhaul of the Nafis programme, with the following major developments:

Unlimited child allowance

The cap on the number of children eligible for the child allowance was removed, enabling Emirati families to receive support for all children regardless of the size of the family. Each eligible child may receive up to AED 3,000 per month. The allowance coverage was extended to children of Emirati mothers working in the private sector.

New and expanded salary support schemes

Emirati wives employed in the private sector may receive up to AED 3,000 per month, subject to salary, education, and family criteria.

Children of Emirati mothers are eligible for parallel salary support, with exceptions for healthcare workers, educators, and PhD holders from top global universities. Salary support is differentiated by educational attainment of the Emirati parent:

- Bachelor's degree holders: up to AED 6,000 per month.
- Diploma holders: up to AED 5,000 per month.
- High school graduates: up to AED 4,000 per month.
- Below high school: up to AED 4,000 (married/with dependents) or AED 3,000 (single).

Standardized salary thresholds

The minimum salary threshold for all Nafis support schemes is set at AED 6,000 per month, helping maintain equitable access and simplifying eligibility assessment.

Phased implementation and programme extension

The reform benefits are expected to be available for new beneficiaries starting September 2026; existing participants could transition over three years. The Nafis programme was extended through 2040, signaling a long-term government commitment.

Broader Emiratisation and family empowerment initiatives

The reforms align with the UAE's Emiratisation targets and the Year of Family 2026 initiative, aiming for 10 percent Emiratisation in private sector firms by 2025. Other related benefits include pension subsidies, unemployment benefits, and on-the-job training for Emiratis.

KPMG INSIGHTS

The removal of child allowance caps and the introduction of broader salary support schemes reflect a policy focus on commitment to family stability, inclusivity, and Emirati women's empowerment. These changes are likely to make private sector employment more attractive for Emiratis and may ease the transition for mixed-nationality families. The reforms also support workforce diversity and align with Emiratisation quotas.

Employers may wish to:

- Update payroll and benefits systems to reflect new eligibility and support levels.

- HR and global mobility teams could communicate changes to affected employees, revise internal guidelines, and monitor regulatory updates for compliance.
- Review cross-border benefit calculations for Emirati employees on assignment.

If assignees and/or their programme managers have any questions or concerns about the scope of the update, its application and potential impacts, and appropriate next steps, they should consult with their qualified tax professional or a member of the KPMG Immigration team in the Lower Gulf (see the Contacts section).

ENDNOTE:

1 The Official Portal of the United Arab Emirates Government, "[Second set of 'Projects of the 50' – NAFIS](#)," updated on 9 April 2026.

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Contacts

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