

Once you hire employees, the next step is creating a competitive compensation and benefits plan. First, you have to meet Djibouti's compensation laws. Then, you need to add all guaranteed benefits to your Djibouti benefits management plan to stay compliant. Finally, adding supplemental benefits will help you keep employees happy and committed to your company.

Unfortunately, many companies don't have the time or knowledge to deal with compensation and benefits while expanding to Djibouti. That's why Globalization Partners offers Djibouti compensation and benefits outsourcing. We'll add your employees to our existing Djibouti benefits management plan and payroll to help you stay compliant and save you time.

Djibouti Compensation Laws

Djibouti canceled its national minimum wage as part of the 2006 Labor Code in favor of occupational categories. Now, employers and employees set wages as part of an employment contract. Public sector workers have a minimum wage of 35,000 DJF, or about \$198 a month. This was last changed in 2015.

Guaranteed Benefits in Djibouti

As part of your guaranteed benefits, you need to give all employees time off for Djibouti's nine national holidays. Employees usually receive 30 days of paid annual vacation as well. Djibouti has a complex sick leave policy that includes 29 days labeled as temporary disability, during which employees get 50% of their salary. After 29 days, employees get 75% of their salary. As part of the country's disability insurance, employees get medical and surgical care, hospitalization, laboratory services, medicine, dental care, and more.

Female employees are also entitled to 14 weeks of paid maternity leave — eight weeks before the birth and six after. Fathers should receive three days of paid paternity leave.

Recommendations for Dispersing Benefits

After you add guaranteed benefits to your Djibouti benefits management plan, we recommend dispersing additional benefits. The right benefits can convince employees to stay in their positions longer and help them feel appreciated. For example, you may give out a performance-based or 13th-month bonus that's included in an employment contract. Djibouti uses a public/private healthcare system, so you could also choose to give out private health insurance. If you don't want to source a specific plan, you can provide a stipend for employees to find their own health insurance.

Restrictions for Compensation and Benefits

Typically, you can't source compensation and benefits until you have a registered subsidiary in Djibouti. The process to incorporate can take weeks or months, and that's if everything goes according to plan. Globalization Partners doesn't have the same restriction with Djibouti compensation and benefits outsourcing. As a global PEO, we have subsidiaries around the world that we can use to help you expand faster. As a result, you won't have to establish a subsidiary, and you can outsource all compliance with us.

Globalization Partners Can Help Your Expansion

Globalization Partners has a whole team of global experts who want to help your expansion succeed. Contact us today for more information about Djibouti benefits and compensation outsourcing and our entire suite of global expansion services.