Abu Dhabi Insurance Brokers
أبو ظبي لوسطاء التأمين
IT'S TIME TO EXPECT MORE

July 2026

INSURANCE EXPLAINED

THE BARE MINIMUM

Insurance Policies Every SME in the UAE Needs

In the UAE, most small business owners don’t give much importance to insurance until something goes wrong, and that's what ends up costing them significant amounts of money.

Our research revealed a common pattern among SMEs. They have the mandatory coverage in place, which is a good start, but they’ve often overlooked the policies that truly protect their business from serious financial loss. So let’s break it down simply.

WHAT THE LAW ALREADY REQUIRES

If you employ people in the UAE, you are legally obligated to provide medical insurance for your staff. In Abu Dhabi, this requirement has been in place since 2006 under the HAAD regulations, while Dubai introduced its own mandate later. Medical insurance for employees is therefore non-negotiable, and rightly so.

Workers' compensation is also required under the UAE Labor Law. If an employee gets injured on the job or develops a work-related illness, the employer is responsible for the resulting liability. The coverage exists to help manage that risk.

If your business operates a vehicle, whether it’s a delivery van or company car, “third party liability” motor insurance is mandatory. No discussion needed.

If you tick these three boxes, you’re compliant, but not necessarily protected.

WHAT ACTUALLY PROTECTS THE BUSINESS

This is where most SMEs in the UAE are underinsured rather than uninsured.

01 **General Liability**: It's probably the most overlooked coverage for small businesses. It handles third-party claims when someone slips and falls on your property. One claim without this coverage can cost more than a year's revenue for a small business.

02 **Commercial Property**: It covers your physical assets: your office, garage, stock, and equipment. Your landlord's insurance covers the building, not what's inside of it. That's your responsibility.

03 **Professional Indemnity**: It's essential for any service-based business such as consultants, lawyers, designers, and agencies. If a client claims your work has caused them a financial loss, this is the coverage that handles legal defense and compensation. Without it, you're exposed to significant legal risks.

WHAT'S ACTUALLY THE BARE MINIMUM

If an SME came to us and asked, "What insurance policies should be considered the bare minimum?" we'd say:

Medical insurance, because it's required by the law and your team deserves it.

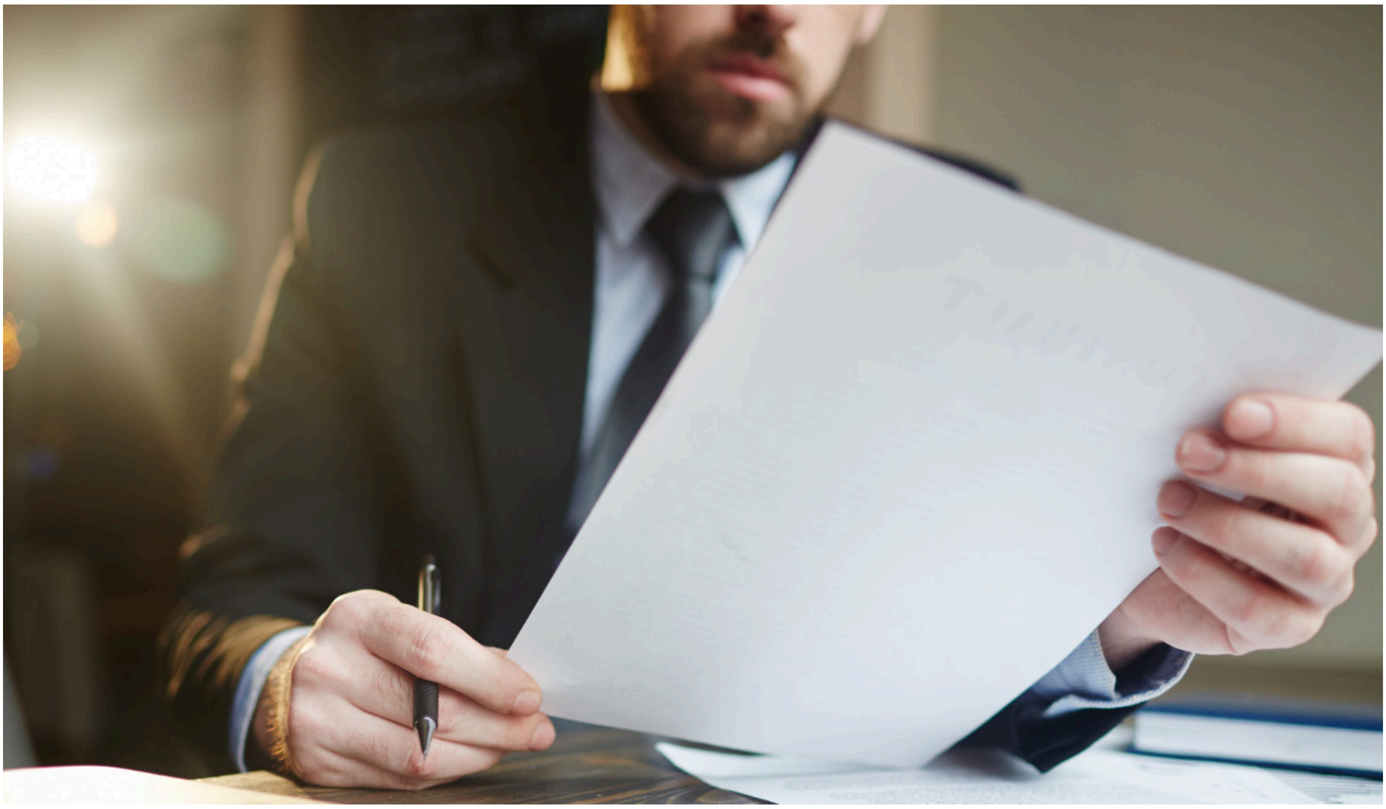
General Liability insurance, because one accident without it can bring your whole business to the ground.

Either Property or Professional Indemnity, depending on whether the business is asset-heavy or sevice-based, but ideally both.

Everything else, like cyber and business interruption, matters too, and we'll get into those another time.

FINAL THOUGHTS

Insurance isn't a sign that you expect things to go wrong. It's a sign that you're serious about your business going right, even when life sometimes disagrees with your plans.



If you're an SME owner in the UAE and you're not sure whether your current coverage adequately protects your business and aligns with your risks, it's worth having that conversation before something forces it.

At Abu Dhabi Insurance Brokers, we think ahead and help protect your company before problems arise.

It's time to expect more.