ADSERO's Contribution to the Global Guide Quarterly (Q2) by Littler: Labour & Employment Law in Egypt

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LABOR AND EMPLOYMENT LAW UPDATES FROM AROUND THE GLOBE

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The Court further emphasized that an occupational injury does not need to be the sole cause of reduced working capacity, provided that it forms part of the overall causal chain. Because the Appeals Board had applied a stricter interpretation than that established in case law and failed to properly consider the role of the injury, the Supreme Court remanded the matter to the Appeals Board for a reassessment. The judgment confirms that even relatively limited but permanent losses may entitle claimants to compensation and is expected to affect future assessments of cases involving complex issues of causation.

Dominican Republic

New Criminal Code Creates Corporate Criminal Liability and Redefines Corporate Compliance Standards

New Legislation Enacted

Authors: Javier A. Suárez and Albin Superví Fernández – Littler

A new Criminal Code, to take effect on August 4, 2026, represents one of the most significant changes for the business sector in terms of legal risk and corporate compliance.

Under the new framework, companies may face criminal consequences not only for actions taken by directors and officers but also for failures involving oversight, prevention, and internal compliance controls. The reform significantly increases the importance of corporate governance, compliance, and risk-management programs.

Egypt

New Rules Govern Employment of Women and Night Work

New Order or Decree

Authors: Abdalla Shohdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decree No. 75 of 2026, which went into effect on May 18, 2026, introduced new rules governing the employment of women in Egypt, particularly regarding hazardous work, pregnancy and breastfeeding protections, and night work. The decree reaffirms equal treatment and equal pay principles and prohibits pregnant or breastfeeding employees from performing work involving specified chemical, physical, biological, or mechanical risks. It also requires employers to provide suitable daytime work during protected maternity periods and allows women to continue performing administrative or supervisory duties where exposure to prohibited risks is avoided.

The decree also provides that employers may engage women in night work only where appropriate health, safety, transportation, and workplace protection measures are in place and, in certain cases, after obtaining approval from the competent Labor Directorate. Employers in sectors such as manufacturing, chemicals, healthcare, logistics, and construction will need to review workplace safety procedures, shift scheduling practices, transportation arrangements, and maternity-related policies to ensure compliance with the new requirements.

New Labor Market Observatory Framework Established

New Order or Decree

Authors: Abdalla Shohdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Ministerial Decree No. 74 of 2026, effective May 18, 2026, established a Central Coordinating Labor Market Observatory within the Ministry of Labor to improve labor market planning and workforce development in Egypt. The observatory is tasked with collecting and analyzing labor market data, monitoring employment trends, coordinating regional observatories, and issuing periodic reports to support employment policies and skills development initiatives. Regional observatories will operate through steering and executive committees that include representatives from government bodies, employers, industry, and academic institutions.

The decree also requires government entities, investors' associations, and business organizations to participate in observatory activities by providing labor market data, supporting research efforts, and contributing to policy implementation.

Sunday Remote Work Requirement Extended

New Order or Decree

Authors: Abdalla Shohdy and Seifeldin Hamad – ADSERO - Ragy Soliman & Partners

Council of Ministers Decree No. 982 of 2026, which entered into force on April 3, 2026, introduced a mandatory requirement for certain private-sector entities to implement remote work on Sundays beginning April 5, 2026, where operationally feasible and without affecting business continuity. The obligation applies to sectors including ICT, financial and accounting services, marketing, media, real estate, remote training, nonprofit organizations, professional unions, and administrative functions such as HR, legal, and accounting roles that can be performed remotely.

The measure was subsequently extended through May 2026 by Ministerial Decree No. 1305 of 2026 and through June 2026 by Decree No. 1572 of 2026. Exemptions apply to sectors where remote work is not practicable, including healthcare, transportation, infrastructure, industrial operations, and education, as well as other roles requiring on-site presence. Although the Decree does not specify penalties for noncompliance, violations remain subject to general enforcement provisions of the Labor Law, and employers are expected to comply where applicable.

Finland

Changes to Fixed-Term Employment Contracts, Layoff Notice, and Re-Employment Obligations

New Legislation Enacted

Authors: Samuel Kääriäinen and Anni Kaarre – Dottir Attorneys Ltd.

Amendments to the Employment Contracts Act went into effect on June 1, 2026. Key provisions include the following:

- **Fixed-term Employment Contracts:** A fixed-term employment contract, for a period not to exceed one year, may be concluded without justified reason if it is the first employment relationship between the parties in the preceding five years.
- **Re-Employment Obligation:** The obligation to re-employ following the termination of employment now applies only to employers that regularly employ at least 50 employees. However, all employers remain obliged to offer work to employees they have made redundant on production-related or economic grounds.
- **Notice Period for Layoffs:** The statutory notice period for layoffs is reduced from 14 days to seven days.

Supreme Court Clarifies Wage Suspension Standards During COVID-19 Disruptions

Precedential Decision by Judiciary or Regulatory Agency

Authors: Samuel Kääriäinen and Anni Kaarre – Dottir Attorneys Ltd.

In KKO 2026:49, the Supreme Court of Finland held that the COVID-19 pandemic was an unforeseeable and exceptional event beyond the control of both the employer and the employee within the meaning of the Employment Contracts Act. Such an event may, in principle, justify suspending wage payment after the first 14 days of a work interruption.

However, the Court found that the employer failed to prove that the employee – in this case, a teaching assistant – had been prevented from performing their work as a result of the COVID-19 restrictions. The Court found that the employee could have carried out the duties of a teaching assistant in connection with remote teaching. Accordingly, the statutory conditions for suspending wage payment were not met, and the employer remained liable to pay wages for the entire period of the work suspension.

Agency Workers Subject to the Temporary Work Agency's Normally Binding Collective Agreement

Precedential Decision by Judiciary or Regulatory Agency

Authors: Samuel Kääriäinen and Anni Kaarre – Dottir Attorneys Ltd.

In KKO 2026:45, the Supreme Court held that, pursuant to Chapter 2, Section 9(1) of the Employment Contracts Act, the employer was entitled, on the basis of its membership in an employers' association, to apply the normally binding collective agreement to the employment relationships of temporary employment agency workers.