

LEGAL UPDATE

Minister of Labour Decree No. 162 of 2026

On the General Rules Governing Workplace Regulations

The Minister of Labour has issued Decree No. 162 of 2026 on the General Rules Governing Workplace Regulations, pursuant to the Labour Law promulgated by Law No. 14 of 2025.

The Decree establishes a detailed framework for the preparation, approval, implementation and updating of workplace regulations, setting out the minimum policies, rules and procedures to be incorporated into such regulations and governing the process for their review and certification.

Scope of Application

Every employer employing ten or more employees is required to prepare workplace regulations, taking into account the nature of its business, its size and its organisational structure.

The regulations are no longer limited to working hours, leave and disciplinary measures. They are required to address a broader framework governing the employment relationship, including recruitment, training, performance assessment, promotion, remuneration, modern working arrangements, grievances and internal dispute resolution.

A Comprehensive Framework for Workplace Regulations

The Decree requires workplace regulations to address, among other matters:

- recruitment, selection, appointment and employment procedures;
- employment contracts and employee files;
- training and skills development;
- performance assessment and promotion;
- transfer, secondment and assignment;
- remuneration, benefits, incentives and allowances;
- working hours, rest periods and overtime;
- different types of leave;

- flexible and remote working arrangements, where applicable;
- occupational health and safety;
- workplace accessibility and protection of persons with disabilities;
- complaints and grievances and internal dispute resolution;
- employee investigations and disciplinary measures; and
- the circumstances and procedures governing termination of employment.

The regulations must also incorporate the HR policies and benefits actually applied within the establishment, whether arising from internal decisions, approved policies, employment contracts or established practice.

Protection of Existing Rights and Benefits

The Decree expressly prohibits workplace regulations from diminishing rights or benefits already granted to employees.

Where there is a conflict between the regulations and applicable statutory provisions, employment contracts or collective agreements, the provisions providing greater benefits to employees will prevail.

This is particularly significant when reviewing existing regulations: statutory compliance alone is not sufficient. Employers must also ensure that the new regulations do not inadvertently prejudice established employee rights or benefits.

Approval and Certification Process

The Decree establishes a defined procedure for submitting workplace regulations to the competent Labour Directorate, including supporting documents evidencing the applicant's capacity and the establishment's particulars, together with three signed and stamped copies of the proposed regulations.

The Labour Directorate must provide the competent trade union organisation, or the employees' authorised representative where applicable, with a copy of the draft within three business days.

The relevant trade union organisation has fifteen days to submit its written comments.

The Labour Directorate must then review the draft against the Labour Law, its implementing regulations and any comments submitted by the relevant trade union organisation.

If the Directorate neither approves nor objects to the regulations within thirty days from the date of submission, the regulations will be deemed effective as of the day following the expiry of that period.

Workplace Protection and Prohibited Conduct

The Decree introduces a comprehensive framework for protecting employees and maintaining dignity in the workplace.

The regulations must prohibit practices amounting to forced or compulsory labour, including unlawful retention of an employee's national identity card or passport or restrictions on the employee's freedom of movement.

They must also establish rules and procedures addressing harassment, bullying, violence and discrimination, identify prohibited conduct and applicable disciplinary measures, and provide mechanisms for receiving and investigating complaints.

Stricter disciplinary measures are required where the perpetrator is the employee's supervisor or another person exercising functional or supervisory authority over the employee.

Modern Working Arrangements and Digital Transformation

The Decree expressly recognises modern working arrangements by requiring workplace regulations to address flexible work, remote work and other non-traditional working arrangements where implemented.

Such rules should regulate working hours, performance obligations, monitoring and assessment mechanisms while preserving employees' statutory rights and taking into account the nature of the relevant business.

Investigations and Disciplinary Measures

The Decree establishes detailed procedural safeguards governing employee investigations, including:

- commencing an investigation within seven days from the discovery of the alleged violation;
- completing the investigation within three months, except where new evidence emerges;
- prohibiting the imposition of a disciplinary sanction more than thirty days after completion of the investigation; and
- observing the statutory limits applicable to wage deductions.

No disciplinary sanction may be imposed without a written investigation, hearing the employee and allowing the employee an opportunity to present a defence, subject to the limited exception permitted for minor sanctions.

The Decree further confirms that the competent Labour Court has exclusive jurisdiction to impose dismissal as a disciplinary sanction, while other disciplinary

sanctions may be imposed by the employer or its authorised representative within the limits prescribed by law and the workplace regulations.

Termination of Employment

Workplace regulations must address each ground for termination separately and clearly, distinguishing between resignation and deemed resignation, resignation and notice periods, termination by notice and disciplinary dismissal.

Notably, the Decree prohibits workplace regulations from imposing a notice period for resignation, while allowing notice periods to be agreed in cases involving termination by mutual agreement or consensual termination.

Updating Workplace Regulations

Employers are required to periodically review their internal policies and regulations to assess their effectiveness and continued compliance with legislative and regulatory developments.

Amendments may be introduced where required by business needs, provided that acquired rights are preserved and the amended regulations undergo the same certification process applicable to the original regulations.

OUR PERSPECTIVE

Minister of Labour Decree No. 162 of 2026 represents an important shift from treating workplace regulations as a primarily administrative document to recognising them as a broader framework for governing employment relations within an organisation.

Its practical significance lies in the fact that workplace regulations are now expected to encompass HR policies, performance management, promotion, remuneration and benefits, remote working, employee files, grievances, investigations, harassment, bullying, discrimination and internal dispute resolution.

Accordingly, employers should not approach the Decree merely as a formal requirement to update an existing workplace regulation. Rather, it presents an opportunity to review the organisation's broader employment governance framework.

In our view, an effective legal review should compare the existing workplace regulations not only against the Labour Law No. 14 of 2025 and Decree No. 162 of 2026, but also against individual and collective employment contracts, internal policies, existing benefits and established employment practices, in order to identify inconsistencies and prevent the unintended reduction of existing rights or benefits.

Particular attention should also be given to the drafting of disciplinary schedules and investigation procedures. The precision of these provisions may directly affect the procedural validity of disciplinary action and the employer's position in subsequent labour disputes.

Accordingly, the immediate priority for employers should be to review their workplace regulations and related employment policies and documents, identify areas of non-compliance or inconsistency, and revise and certify them in accordance with the procedures and timelines prescribed by the Decree.

Ultimately, the effectiveness of the framework will depend on the consistency between the written regulations and their actual implementation. A sound workplace regulation is not merely a document satisfying formal requirements; it is a clear and enforceable legal framework capable of balancing legitimate business requirements with employees' statutory rights.