

(Translation from Arabic)

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The Ministry of Manpower

Decree No. 162 of 2019 regarding the financial and administrative regulation on the employment, welfare and protection of informal workers

(i.e., workers engaged in contractual work, agricultural workers, seasonal and temporary workers and others in similar employment)

The Minister of Manpower

having perused:

the Constitution;

the international conventions ratified by the Arab Republic of Egypt;

Local Administration Act (No. 43 of 1979) and its amendments;

Labour Act (No. 12 of 2003) and its amendments and implementing ministerial decisions;

Civil Service Act (No. 81 of 2016) and its implementing regulations;

Act No. 213 of 2017 on trade union organizations and protection of the right to trade union organization;

Presidential Decree No. 165 of 1996 on the organization of the Ministry of Manpower;

Ministerial Decree No. 329 of 2015 on the issuing of the financial and administrative regulation for the employment and protection of informal workers and its implementing and supplementing decisions;

Ministerial Decree No. 47 of 2017 establishing the competence of the organs of the Ministry of Manpower;

and following consultation with the relevant ministers and the Egyptian Trade Union Federation;

and in accordance with what has been presented by the head of the Central Administration for Employment and Labour Market Information;

and in accordance with what we consider to be in the public interest;

Hereby decrees

Article 1

The attached provisions of the financial and administrative regulation governing the employment, welfare and protection of workers in informal employment (i.e., workers engaged in contractual work, agricultural workers, seasonal and temporary workers and others in similar employment) shall enter into force.

Article 2

The following shall be bound by the provisions of this regulation: all Government bodies, including ministries, local government units, units with their own budgets, etc; Government-affiliated entities and projects; public sector companies; the public business sector; the private sector; trade union organizations at all levels; professional associations; civil organizations; private institutions; and agencies and authorities concerned with affairs of informal workers.

Article 3

The competent authorities shall implement the provisions of this Decree and the annexed regulation within their respective jurisdictions. Any previous provision or decision that is contrary to its provisions shall be repealed.

Article 4

This decree shall be published in The Official Gazette and shall come into force on the day following its publication.

Given on 21 July 2019

Minister of Manpower

Mohamed Mahmoud Saafan

The Financial and Administrative Regulation on the Employment, Welfare and Protection of Informal Workers (i.e., Workers Engaged in Contractual Work, Agricultural Workers, Seasonal and Temporary Workers and Others in Similar Employment)

Part One

Definitions and General Provisions

Article 1

In applying the provisions of this regulation, the following terms shall have the corresponding meanings:

1. Seasonal work:

Any work regardless of duration performed during the customary seasons

2. Temporary work:

Work that by its nature falls within the activity performed by the employer, the completion of which requires a fixed period or relates to specific work and ends with the completion of that

3. Casual labour:

Work that by its nature does not fall within the activity performed by the employer and which is of no more than six months' duration

4. Port workers:

Workers who perform work that is intrinsically non-permanent at seaports within territorial waters and at dry ports and river ports

5. Agricultural workers:

Workers who perform work in the area of agriculture, irrigation, sanitation and water resources for an employer under his management or supervision in return for a wage for any work of the type in question. The owners, tenants or holders of agricultural land are not considered as agricultural workers

6. Fishermen:

Fishermen who work on other parties' vessels and in pisciculture, and others in similar employment

7. Workers engaged in contractual work:

Workers whose work is related to contractual work irrespective of the duration or type of such work

8. The auxiliary executive entities:

Entities that collaborate with relevant departments in the performance of their functions; these entities include departments of housing, governorates, neighbourhoods, the Educational Building Authority, etc.

9. The competent department within the Ministry:

The General Department of Employment and Welfare of Informal Workers, the Disabled and Dwarfs

10. The competent department within the Directorate:

The Department of Employment and Welfare of Informal Workers in the Directorate

11. The local advisory committee:

The committee established at the Directorate of Manpower on the employment and welfare of informal workers, chaired by the head of the Directorate and with representatives of the entities concerned as its members

12. The central committee:

The committee established at the Ministry of Manpower to monitor the employment and welfare of informal workers and to have financial oversight of the employment activities and welfare of these workers in the branches of the Directorate

13. The competent authority:

The Ministry of Manpower

14. The Directorate:

The Directorate of Manpower, within whose competence the activity falls

15. The Ministry:

The Ministry that is concerned with labour affairs, or the Ministry of Labour Affairs.

Article 2

The provisions of this regulation shall be applicable to all seasonal and temporary workers, including the following:

- 1. Persons engaged in contractual work, namely:** carpenters; blacksmiths; electricians; plumbers; welders; painters; masons; workers employed in the laying of insulation; drivers of mechanical equipment; tilers; workers employed in mixing concrete; workers employed in drilling wells; workers employed in cutting and carving stone; workers with glass; workers employed in installing, repairing and maintenance; machine and equipment operators; bleach workers; service workers, etc.

- 2. Seasonal agricultural workers:** These include workers in fields, parks, orchards or agricultural land reclamation; workers with enterprises for raising livestock, small animals, poultry and bees; workers employed in sorting and packing fruit and vegetables at depots. Workers employed by another party in the following jobs are deemed as belonging to the same category:
- (a) seed cleaning and sifting
 - (b) in irrigation and sanitation, and in the construction, maintenance and disinfection of installations for these; in the boring of artesian wells
 - (c) workers in agricultural service-based industries in rural areas, such as the wicker, fibre and rice straw industries
 - (d) cotton gin workers.
- 3. Fishermen** who work on vessels belonging to another party and in pisciculture and others in similar employment
- 4. Port workers**, i.e., those who work at seaports within territorial waters or at dry ports and river ports; or workers employed as the following: ship carpenters; welders; lashers (i.e. workers in securing and removing containers); workers in stowage areas; spraying and painting; stevedores; workers in the maintenance and supplying of ships; workers on dredgers and drilling rigs; workers employed in the maintenance of boats and feluccas, etc.

Article 3

In coordination with the minister concerned, the Minister of Manpower shall issue a decision specifying the beginning and end of the agricultural and periodic seasons, namely:

- the season for sorting onions and garlic;
- the season for sorting and packing vegetables and fruit;
- the season for production of juice at sugar beet factories;
- the season for production of juice at sugar cane factories;
- the season for working with cotton gins;
- the season for growing or harvesting agricultural crops;
- the season for clearing canals, drains and irrigation channels.

Article 4

It is prohibited to receive any sums from workers who are subject to the provisions of this regulation in exchange for their employment or welfare.

Article 5

Without prejudice to article 17 of the Labour Act (No. 12 of 2003), all parties, including Government entities and their affiliated bodies, public sector companies, the public business sector, the private sector, trade-union and professional associations and youth employment agencies are prohibited from employing workers subject to this regulation other than via the competent department in the Directorate of Manpower and within whose competence the activity falls.

Article 6

The employer of workers subject to the provisions of this regulation shall notify the competent department in the Directorate within whose competence the activity falls concerning the worksite and shall provide employment data within no more than ten days of the date of the commencement of work at the site.

Article 7

All workers subject to the provisions of this regulation are required to report to the competent department in the Directorate of Manpower to register their data and obtain their identity cards free of charge.

Article 8

The parties referred to in Article 5 of this regulation, when entering into a contract with workers in activities in the areas of contracting, agriculture, irrigation, fishing, marine and fishery resources, ports and similar areas of employment, shall state in labour contracts that the employment of informal workers required for such work is through the competent department of the Directorate.

Article 9

Labour, occupational safety and health inspectors are required in the course of conducting their inspections to monitor the informal workers in the establishments under inspection and to notify employers that they are required to proceed to the competent department of the Directorate to register these workers, regularize their status and take the requisite legal measures as per the provisions of the Labour Act and its implementing ministerial decisions.

Article 10

The parties referred to in article 5 of this regulation shall notify the competent Directorate of Manpower of the names of the companies and contractors carrying out work within the governorate and shall not pay any entitlements until such time as the entitlements of informal workers subject to the provisions of this regulation have been settled and clearance has been obtained from the competent Directorate.

Article 11

Without prejudice to the social insurance and pensions system in force, the employer shall at his own expense provide first aid to any worker subject to the provisions of this regulation who suffers injury during work and he shall transport him to the requisite provider treatment.

Article 12

The competent department within the Ministry shall establish the controls and mechanisms for the employment of informal workers following the presentation of these to the central committee for monitoring the employment and welfare of informal workers.

The competent department of the Directorate shall furthermore provide health care and social welfare and employment to workers subject to the provisions of this regulation in accordance with the plan set out by the competent department within the Ministry.

Part Two

Committees for the Monitoring of Employment

A central committee shall be established to monitor the employment and welfare of workers subject to the provisions of this regulation, chaired by the director of the Central Department for Employment and Labour Market Information and it shall have the following members:

1. Permanent members:

- i. The director-general of the General Department of Employment and Welfare of Informal Workers (as rapporteur)
- ii. The director-general of the General Department of Occupational Safety and Health, or his representative

- iii. The director-general of the General Department of Labour Inspection, or his representative
- iv. The director-general of the General Department of Legal Affairs, or his representative
- v. The director-general of the General Department of Directorate Affairs, or his representative
- vi. The director-general of the General Department of Financial Affairs, or his representative
- vii. Representatives of the trade union organizations concerned
- viii. Representatives of the employers' organizations concerned

2. Non-permanent members by area of concern:

- i. A representative of the Ministry of Social Solidarity
- ii. A representative of the Ministry of Housing, Utilities and Urban Communities
- iii. A representative of the Ministry of Health
- iv. A representative of the Ministry of Finance
- v. A representative of the Ministry of Local Development

The committee may seek the assistance of whomever it considers experienced with respect to the topics presented to it.

The committee shall meet at least once a month at the invitation of the chairman. The committee's meeting shall not be deemed valid unless it is attended by at least five permanent members. The decisions and recommendations of the committee shall be passed by majority vote of the members present; in the event of a tie, the chairman shall cast the deciding vote. The committee shall maintain a record of the proceedings of its meetings and the chairman of the committee shall submit its recommendations to the competent authority for approval.

Article 14

The committee shall have the following tasks:

1. Preparing the requisite periodic reports on the activity of informal workers at the national level
2. Researching and proposing exceptions to aspects of spending on social welfare and health care, increasing the amounts allocated to them, adding new forms of care and presenting these to us for approval

3. Researching and examining proposals for implementing inter-Directorate service projects to serve informal workers or provide them with central services at the national level
4. Developing mechanisms, rules and provisions for supporting informal workers and coordinating among Directorates in this regard
5. Proposing rules governing occupational safety and health requirements, transport and subsistence for them, the financial and administrative regulations for this employment and submitting them to us to take the requisite decisions in this regard
6. Expressing opinions on the legislation enacted concerning informal workers at the national level
7. Expressing views on international and Arab labour conventions concerning informal workers and submitting proposals for the ratification of these
8. Expressing views on grievances and complaints pertaining to the activities of informal workers
9. Submitting proposals concerning the rules governing the employment of informal workers and the mechanisms for the implementation of these prior to the issuing of ministerial decisions in this regard
10. Coordinating with the competent authorities in the examination of any kind of work related to the affairs of informal workers
11. Performing any other work entrusted to it by the competent Minister.

Article 15

The central committee shall report every three months on its activities. Its central administration shall also prepare a monthly report on the work of the Directorates' departments for informal workers and submit this to the competent authority.

Article 16

A local advisory committee on the employment of informal workers subject to the provisions of this regulation shall be established in the governorates, headed by the director of the Directorate and having the following members:

- i. The director of the Directorate of Agriculture, or his representative
- ii. The director of the Department of the Employment and Welfare of Informal Workers at the Directorate

- iii. The director of the Department of Occupational Safety and Health in the Directorate, or his representative
- iv. The director of the Directorate of Social Solidarity in the governorate, or his representative
- v. The director of the Directorate of Housing in the governorate, or his representative
- vi. A representative of the General Trade Union of Workers in Agriculture, Irrigation and Fisheries
- vii. A representative of the General Trade Union of Building and Wood Workers
- viii. A representative of the General Authority for Health Insurance or of the Directorate of Health Affairs in the governorate
- ix. A representative of the employers' organizations concerned, or his representative
- x. A representative of the governorate

The committee shall meet at least once a month at the invitation of its chairman. The committee's meeting shall not be deemed valid unless it is attended by at least seven members, including the chairman. The chairman of the committee shall appoint its rapporteur from among the workers in the relevant department of the Directorate, who shall not have the right to vote. The rapporteur of the committee is required to keep a ledger for taking down the proceedings of its meetings.

Article 17

The committee shall have the following tasks:

1. Following up on the implementation of the recommendations of the Ministry's central committee
2. Following up on the employment and welfare of workers subject to the provisions of this regulation with the governorate
3. Enacting measures and providing methods for supervising, monitoring and following up on the employment of workers subject to the provisions of this regulation within the governorate, and ensuring the soundness of employment processes, payment of wages and the provision of transport and subsistence mandated for workers
4. Proposing the necessary measures for the functional and financial activation of the Department of Labour

5. Enhancing the efficiency of the relevant department in the Directorate and the standard of service delivered by it
6. Following up on the use of the administrative expenses provided for in this regulation
7. Proposing annual projects and plans for the welfare and employment of workers subject to the provisions of this regulation within the governorate and submitting them to the competent department within the Ministry in order for it to take the requisite action with regard to them
8. Approving the final statement of account
9. Liaising with relevant authorities when examining any activity related to the affairs of workers subject to the provisions of this regulation in the governorate; and discussing the problems of such workers and coming up with proposals for possible solutions to these.

Part Three

Departments for the Employment and Welfare of Informal Workers

Article 18

The Department of the Employment and Welfare of Informal Workers in the Directorate shall implement at the local level the Ministry's policy and the recommendations of the relevant committees concerning workers subject to the provisions of this regulation, in particular through the following tasks:

1. Receiving applications for employment by workers subject to the provisions of this regulation, registering them, forwarding their names to requesting bodies and following up on their employment
2. Proposing draft internal regulations and draft decisions governing the employment and welfare of informal workers entered on the databases
3. Compiling statistics and conducting studies on the numbers of workers subject to the provisions of this system within the governorate, the job opportunities available to them and level of wages
4. Preparing periodic reports on the Department's financial and substantive activities and providing approved copies of these to the competent department within the Ministry
5. Subsequent to consultation with the Directorate's local advisory committee, developing proposals for drafts of the general plan in each governorate's Department of Labour concerning the welfare and employment of this category of worker

6. Keeping ledgers, documents and electronic records required for the registration and employment of informal workers and the services provided to them
7. Listing the employers and enterprises whose activity necessitates the employment of informal workers and setting up an electronic database of them
8. Providing the requisite social welfare and health services to this category and monitoring for the implementation of these
9. Establishing the locations of such workers in collaboration with all competent bodies, trade unions and civil society institutions
10. Listing the workers subject to the provisions of this regulation and establishing an electronic database on them containing all their key data, occupations and wages
11. Carrying out the requisite procedures for issuing each worker with a free registration card stamped by the competent department and bearing the following particulars: name; national ID number; occupation; place of residence; date of issue of the card and ID photograph
12. Opening an electronic file for each worker containing all his personal particulars with a record of the various forms of social welfare and health service he has received and updated for any ensuing changes
13. Reviewing the documents, contracts and extracts submitted by companies; determining the sums owed to informal workers in accordance with the applicable financial regulation; and issuing the requisite clearances after evidence has been presented to show that the established financial commitments have been met
14. Coordinating with relevant departments in the Directorate to inspect the workplaces employing this category and thus ensure the implementation of the provisions of the Labour Act and its implementing decisions
15. Receiving and examining the complaints sent to the Department by informal workers in coordination with the competent departments in the Directorate.

Part Four

Monitoring and Inspection

Article 19

Labour, occupational safety and health and employment inspectors shall monitor the employment of workers subject to the provisions of this regulation and the enforcement of the rules for employment set out in this regulation. In particular, they shall:

1. confirm whether the worker is receiving his wage for the actual working days and the additional wage for overtime, if any;
2. confirm whether the employer is providing transportation for the worker from his place of residence to the workplace and back;
3. confirm whether the employer provides means of subsistence when the number of working hours is in excess of eight hours, work is in remote areas or in areas far away from centres of habitation or in situations requiring the worker to stay at the workplace;
4. monitor for compliance with occupational safety and health requirements at the enterprises concerned as per the provisions of the Labour Act and its implementing ministerial decisions;
5. implement the provisions of the Labour Act concerning the employment of children and women;
6. ensure that the employer does not employ informal workers through outsourcing or via manpower contractors;
7. follow up and verify on site the reliability of the data provided by employers concerning their informal workers;
8. examine complaints received by the competent department of the Directorate.

Part Five

The Financial Regulation

Article 20

On the date that this regulation is issued, the existing financial accounts for the welfare of informal workers in the Ministry of Manpower's Directorates in the governorates shall continue in operation.

Article 21

The financial resources of the accounts referred to in the preceding article shall consist of the following:

1. 3% of the actual net wages of workers in return for their protection, welfare and employment, which is to be paid by the employer
2. The current account balances in the banks for the welfare and employment of informal workers and the returns on the assets and deposits contained in them
3. Without prejudice to the applicable laws and regulations, pledges and monetary and in-kind donations as approved by the competent local committee in the Directorate
4. Revenue from service projects established for informal workers
5. Returns on the investment of the funds of service projects.

Article 22

In the event that it is not possible to determine the actual net wages of the workers on the basis of which the 3% mentioned in the previous article is calculated, Minister of Finance Decree No. 554 of 2007 shall be referred to for guidance. These wages shall be calculated on the basis of the derived amount at a maximum of 15% of the value of the general contracting operations and at a maximum of 45% of the value of the services and manufacturing involved in the contracting operations.

Article 23

In exception to the provisions of article 21(1) of this regulation, the proportion due for workers' welfare shall be 2% of the actual net wages for workers employed by trade or professional unions or non-governmental organizations licenced to engage in hiring workers as per the provisions of the Labour Act.

Article 24

Withdrawals from the accounts referred to in article 21 of this regulation shall be in accordance with the financial rules applicable in this regard.

Article 25

The fiscal year begins on 1 July and finishes at the end of June of every year. The surplus of the account at the end of each fiscal year shall be carried over to the following year. Each fiscal year shall have its allocated expenses and revenues. If required, the expenses for a fiscal year may be assigned to another year, especially where spending on social welfare and health care is concerned. This shall be subsequent to the agreement of the Ministry's central committee and at the approval of the competent authority.

Article 26

The competent department shall maintain the requisite ledgers and records so as to ensure the effective operation of work and propriety in budgeting and accounting. It shall review the provisions and procedures for spending and collection and ensure that these are performed properly and regularly and without wastage or profligacy.

Article 27

A balance sheet shall be prepared at the end of each fiscal year, as well as annual statements of the account's financial position. These shall be submitted to the local committee of the Directorate for approval after they have been endorsed by a certified public accountant.

Article 28

The relevant department of the Directorate shall provide the competent department in the Ministry with an approved monthly statement of the gross income received and the expenditures made on all aspects of the disbursements provided for in this regulation.

Article 29

The proceeds of the proportion mentioned in article 21(1) of this regulation, resulting from the activity of the workers subject to the provisions of this regulation, shall be disposed of as follows:

1. 70% for social and health care and the services provided for workers subject to the provisions of this regulation
2. 1% for administrative expenses
3. 28% for: the auxiliary executive entities assigned the tasks of administering employment; the employees of the competent Directorate; and the General Office of the Ministry.
4. A 1% central reserve shall be allocated for social welfare and health care and for central services provided to workers subject to the provisions of this regulation at the national level. It shall come under the supervision of the Ministry's Central Department for Employment and Labour Market Information and shall be disposed of in accordance with the rules and controls issued by a decision of the competent authority.

The competent authority shall issue a decision on distribution of the proportions stated in clauses 2-3 of this article.

Article 30

Without prejudice to any financial or in-kind rights established in accordance with the provisions of any other act or decree, the proportion prescribed for social and health care shall be paid to workers subject to the provisions of this regulation as follows:

1. If the worker dies, his heirs shall be paid a sum of 10,000 Egyptian pounds.
2. In case of total disability, the worker shall be paid a sum of 10,000 Egyptian pounds.
3. In case of partial disability, the worker shall be paid a sum of 5,000 Egyptian pounds.
4. In case of major surgery, the worker shall be paid a sum of 5,000 Egyptian pounds, unless the surgery is performed through the competent department bearing the financial cost of this.

5. In case of minor surgery, the worker shall be paid a sum of 2,000 Egyptian pounds, unless the surgery is performed through the competent department bearing the financial cost of this.
6. In case of the death of a worker's first-degree relative, the worker shall be paid a sum equivalent to 2,000 Egyptian pounds.
7. In case of marriage, the worker shall be paid a sum of 3,000 Egyptian pounds for one time only.
8. For the birth of the first and second child, the worker shall be paid a sum of 2,000 Egyptian pounds, and in case of the birth of twins, the worker shall be paid a sum of 3,000 Egyptian pounds.
9. On holidays (i.e., Eid al-Adha, Eid al-Fitr, May Day and the Prophet's Birth) grants of 500 Egyptian pounds shall be paid to the registered worker.

In all cases, it is permissible to add new grants or increase the sums stated in this article at the recommendation of the central committee and with the approval of the competent authority, provided that the grounds for the request are justified and that there are financial resources available to cover it.

Article 31

The funds specified in items 1-8 of the preceding article shall be disbursed depending on the availability of financial resources and following submission of the requisite documents, along with original documents establishing entitlement to payment, for review, copying and filing. The funds shall be disbursed within no more than six months of the date of becoming eligible for them. The worker shall not be entitled to claim these sums after this period.

Article 32

The funds provided for in article 21 of this regulation shall be deemed public funds, and in any case involving the abuse of them the provisions of the Penal Code shall be applied.

Article 33

The following shall be deemed forms of social welfare intended for workers subject to the provision of this regulation:

1. The establishing of social, cultural, recreational and sports clubs
2. The organizing of Hajj and Umrah pilgrimages and pilgrimages to Jerusalem

3. Holding religious and educational seminars, awareness-raising seminars on the provisions of the various laws and organizing training courses and workshops
4. The adopting of innovative projects and ideas and the providing substantive support relating to the area of informal labour
5. Contracting with food distribution outlets in all governorates to provide commodities at reduced prices for informal labour card holders
6. Arranging the enrolment of categories of workers on specific national projects into a group insurance policy
7. Supporting those among categories of informal workers subject to the provisions of this regulation who wish to enrol in literacy and addiction control programmes
8. Meeting the expenses for public services made available to workers or for dealing with any crisis situations.

Prior to dispensing the aforementioned forms of welfare, the agreement of the central committee and the approval of the competent authority must be obtained.

Article 34

The establishment of hospitals, pharmacies, medical centres, laboratories and centres for medical radiology, or contracting with any of these for the provision of their services to this category, shall be deemed a form of health care intended for workers subject to the provisions of this regulation.

Given on 21 July 2019

Minister of Manpower

Mohamed Mahmoud Saafan