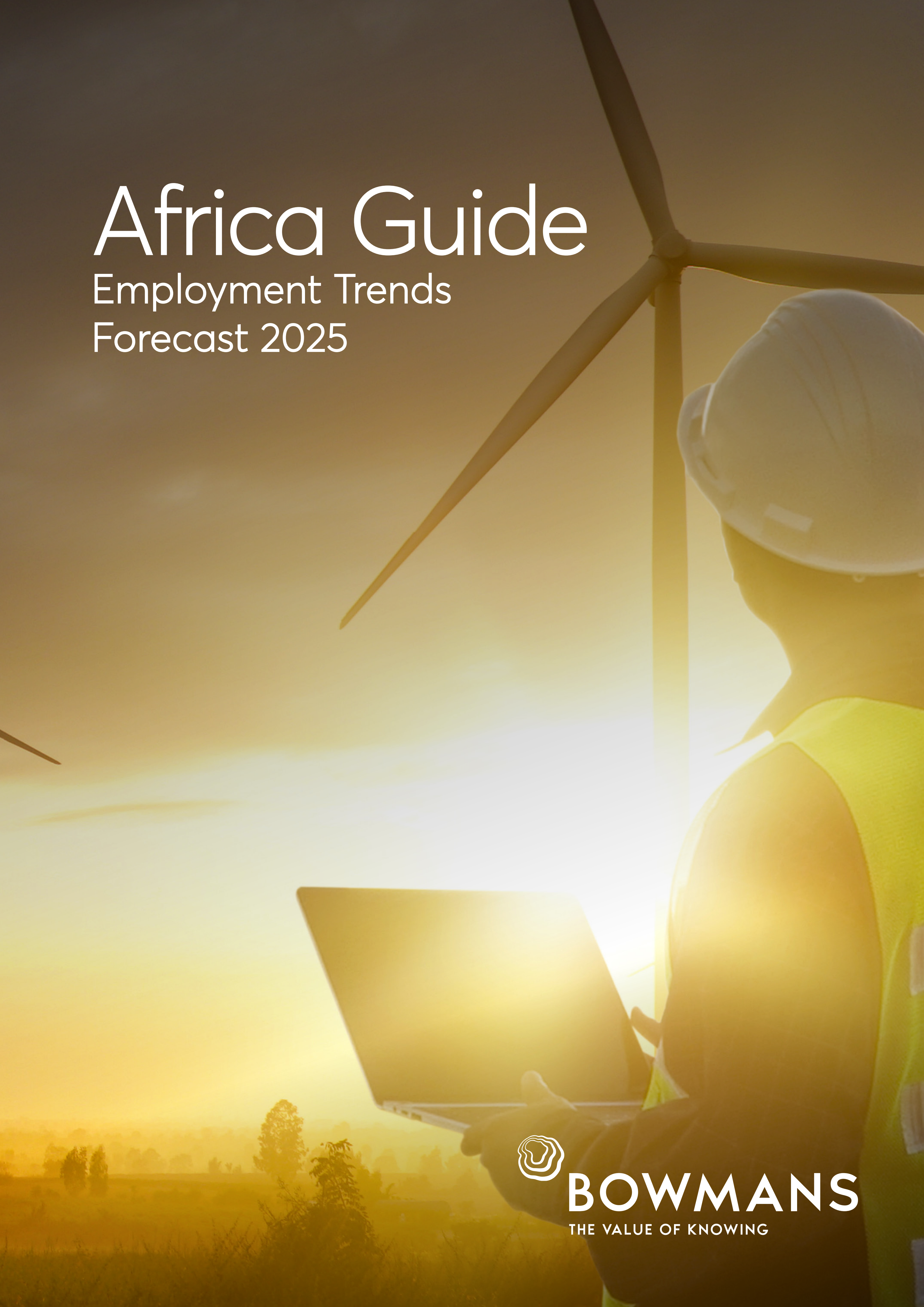

Africa Guide

Employment Trends Forecast 2025

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THE VALUE OF KNOWING

Contents

Introduction

As we approach the end of the year, it is a good time to take stock of the developments that have occurred and consider what may be in store for employers. Whether it be changes in employment laws, emerging workplace trends, or shifting workforce expectations, we strive to keep our clients informed so that they can plan accordingly.

To provide an outlook on the anticipated employment landscape for 2025, we have gathered insights from our colleagues across the African continent on their forecasts for the year ahead. This guide has been prepared with input from members of our Employment and Benefits Practice in all our offices, as well as our alliance, relationship, and other firms across Africa.

2025 promises to be an eventful year across the continent, with significant **revisions and reforms in the pipeline for key labour laws** in Ghana, Senegal, South Africa and Zambia to adapt to evolving workplace requirements. Some uncertainty remains in Uganda, where the Employment (Amendment) Bill of 2022 still awaits the President's assent, and in Morocco, where debates continue on reforms to the strike law. Employers in Angola, Mauritius and Gabon will need to continue to adapt in response to recent amendments to the legal framework in these jurisdictions, brought about by the new General Labor Law, the Finance Act of 2024 and various regulations that aim to operationalise the 2021 Labor Code, respectively.

There are also expected **changes to foreign workforce policies** in several jurisdictions, with regulations regarding the hiring of foreign workers under revision in Gabon and Mozambique, consideration in Kenya of the Labour Migration Management Bill 2024 to protect the rights of migrant workers, and the recent implementation in Ethiopia of refugees' and asylum seekers' rights to work. In Nigeria, we may see the implementation in 2025 of the Expatriate Employment Levy Scheme, after its suspension this year due to widespread criticism, while in South Africa, a new category of foreign workers will be welcomed by virtue of the new digital nomad visa launched earlier this year.

Protection of employee data should remain front of mind for employers, particularly those in Ethiopia where the Personal Data Protection Proclamation was finally enacted this year, and in Botswana, where the Data Protection Act will become fully enforceable from 12 January 2025. Increased enforcement of the data protection laws in Gabon, Tanzania and Zambia is also anticipated, as the respective regulator's offices become operationalised or strengthen their oversight function.

In many jurisdictions, such as Angola, Ghana, Morocco, Nigeria and South Africa, economic conditions have resulted in recent **increases to national minimum wages**, with further increases anticipated in some of these jurisdictions, including Zambia, in 2025. Other countries, like Ethiopia and Namibia, which have historically had no prescribed national minimum wage, are set to introduce one, with the relevant wage order in Namibia becoming applicable from 1 January 2025.

On the trends front, we are seeing growing emphasis on fostering a healthy work environment that prioritises, among other things, **employee well-being**, and there is ongoing support for, and in some countries, increased regulation of, **hybrid or remote working models.**

Increased exploration and use by employers of artificial intelligence (**AI**) in the workplace, particularly when it comes to recruitment, is also a common theme, with varying levels of adoption being reported. In this regard, privacy and discrimination concerns should be top of mind for employers, as well as considerations around skills development in response to reshaping job roles and requirements.

Click on the countries overleaf for the respective country chapters. Please reach out to any of the key contacts if you would like to discuss the contents of this guide in more detail.

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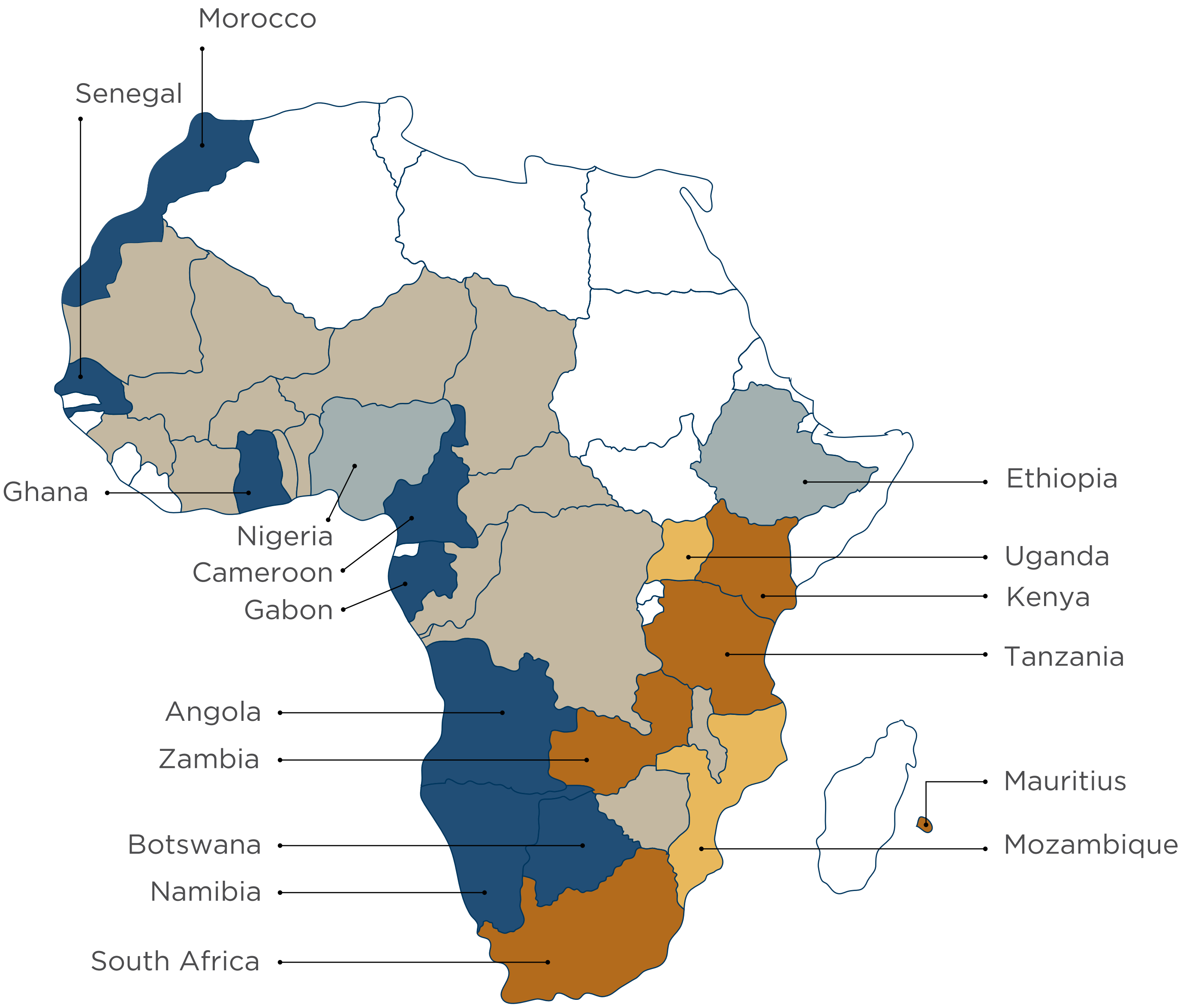
The content of this publication is accurate as at October 2024 and is for reference purposes only. It is not a substitute for detailed legal advice.



Click on the country to view a forecast

Angola

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Legislative developments

New look at employment relationships in Angola arising from the new General Labor Law, approved by Law no. 12/23 of 27 December 2023 (new GLL)

In our forecast for 2024, we anticipated the revision of the General Labor Law (**GLL**), but at that stage, the exact content of the amendments remained uncertain. After much suspense, on 26 March 2024, the new GLL became official and fully enforceable. The new law has brought many changes, creating a truly new way of viewing the employment relationship. Some of the notable changes include:

- **New rules on fixed-term contracts**
  Employment relationships for an unlimited term are now the default type of employment agreement, and there are significant limitations to the conclusion of fixed-term contracts, which must be justified in accordance with the new legal guidelines. The maximum durations of these contracts now range between six, 12, 36, and 60 months, depending on the justifying reason for the hiring.

  Importantly, regard must be had to the transitional regime of the new law – contracts concluded prior to 26 March 2024 will remain in force in accordance with the GLL of 2015; however, any renewal or amendment after the effective date of the new GLL must be made under its provisions.

  Accordingly, fixed-term employees with ongoing contracts are not immediately affected, but companies will need to adapt their hiring practices to align with the new legal requirements. This requires significant effort on the part of companies, particularly in choosing a real transitory need and the tendency to a much shorter term than before, with the inherent risks of converting fixed-term contracts into permanent ones almost immediately. These issues will definitively continue to keep company representatives up at night.

- **New types of special employment contracts**
  Examples of some of the special contracts that have been introduced include remote, sports, domestic, artistic, and service commission contracts. This reflects a national legislative evolution that demonstrates an attempt to adapt to the various current labour circumstances in a constantly changing world, which demands permanent and rigorous legal oversight.

- **New disciplinary sanctions**
  In terms of disciplinary procedures, two new sanctions have been created – temporary demotion and suspension from work with loss of remuneration. The salary reduction can be set between one and six months, but it cannot exceed 20%. Suspension can only be applied when the requirements for dismissal are met and cannot exceed 30 days per infraction and 60 days in the same year.

We cannot deny the significant milestone in the national labour legal context that the new law has brought, triggering debates and reflections on the balance between employers' and employees' interests.

By addressing such relevant topics, the legislation reflects the efforts of the Government to modernise and harmonise work relations. However, we cannot fail to notice that the success of the new law will depend entirely on the effective implementation and monitoring of its application, as well as its ability to adapt to the needs of the constantly evolving world of work.

National minimum wage

On 17 July 2024, Presidential Decree No. 152/24 was published and came into force, approving an increase in the national minimum wage as follows:

- The amount of AOA 70 000 is set as the minimum sum of all income that must be paid in consideration for work performed or services rendered during the period of a given month.
- 12 months after the entry into force of this statute, the amount of the national minimum wage will increase to AOA 100 000.
- For micro-companies and start-ups, the minimum wage is set at AOA 50 000.

We anticipate the implementation of the increase of the minimum wage to AOA 100 000 to be a challenge for many employers, particularly for small businesses, who are already finding the immediate increase difficult. If companies do not have the financial capacity to pay at the above levels, a temporary exemption may be requested, with proof of their precarious financial situation.

New Labour Procedure Code

The Law No. 2/24 of 19 March approved the Labour Procedure Code (**Code**). This new statute repeals all legislation that contradicts the provisions of this law, namely:

- Law No. 23/91 of 15 June – Strike Law, insofar as it contradicts the Code;
- Law No. 22-B/92 of 9 September – Law Extinguishing Labour Justice Bodies;
- Law No. 9/81 of 2 November – Labour Justice Law;
- Resolution No. 12/81 of 7 November – on Social Security and Accidents at Work;
- Joint Executive Decree No. 3/82 of 11 January – approving the Regulation of the Labour Justice Law; and
- Decree-Law No. 45 497 of 30 December 1963 – approving the Labour Procedure Code.

New regulations on occupational health and safety services

By Presidential Decree No. 179/24 of 1 August 2024, the Regulations on Health, Environment and Safety (**HSE**) were approved and came into force on the day of its gazetting. It regulates HSE services, occupational medical examinations and employment fitness certificates. It is applicable to all companies and organisations covered by the GLL.

The purpose of the new statute is to establish a set of rules and procedures designed to guarantee the implementation of HSE rules in the workplace. To do so, the employer must set up HSE services and adopt the form of either internal, inter-company or external services by applying for an authorisation or registration with the General Inspectorate of Labour. Companies will need to adapt their internal processes according to the new law.

Anticipated workplace trends

Adaption to new GLL

The continuing application of the new GLL, coupled with the new Labour Procedure Code, are undoubtedly workplace trends for 2025. We expect to see employers continuing to adapt and refine their employment relationships to align with the new legal framework.

Use of remote work contract

The establishment of the remote work regime under the new GLL follows the European trend of incorporating forms of work created by the pandemic, such as ‘telework’.

Despite being temporary, the pandemic has created a permanent impact on people and their way of living and working.

This new regime will require special attention from companies in studying potential strategies regarding this form of work, its advantages and disadvantages, costs and benefits. The challenge of monitoring work, ensuring compliance with company rules and controlling worker productivity is increased.

Botswana

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Legislative developments

Full implementation of Data Protection Act

The Data Protection Act No. 32 of 2018 (**DPA**) regulates the processing of personal data, requiring employers to ensure the security and confidentiality of employee information. Under this law, companies must implement robust data protection policies, appoint data protection representatives, and notify breaches to the Information and Data Protection Commission.

Failure to comply can result in penalties, including fines and imprisonment. This development significantly impacts how employers handle personal data, particularly as more organisations digitise their HR functions. According to the Data Protection (Transitional Period) Order 2024, published on 11 October 2024, the transitional period of the DPA will end three months from 12 October 2024, meaning that the DPA will become fully enforceable from 12 January 2025.

With the full implementation of the DPA around the corner, employers will need to prioritise data privacy and security. This includes safeguarding employee personal data against unauthorised access, ensuring secure storage, and reporting any data breaches to the relevant authorities. The focus on compliance will likely lead to an increase in demand for data protection officers within companies and training for the rest of the workforce.

Anticipated workplace trends

Digital transformation and continued development

Botswana's workforce is increasingly embracing digital transformation. Employers are adopting advanced HR technologies to streamline recruitment, performance management and employee engagement processes.

To remain competitive, Botswana's employers also continue to invest in the continuous development of their workforces. Trends include providing training opportunities to help employees acquire new skills and adapt to changing job requirements.

Prioritising employee well-being

There is a growing emphasis on fostering a healthy work environment that prioritises employee well-being. Employers are expected to focus more on supporting employee well-being, including mental health programmes and flexible working conditions. This aligns with global trends in workplace sustainability and employee support, particularly in light of post-pandemic shifts towards remote and hybrid working models.

Hybrid work models

Post-pandemic, remote and hybrid work models continue to gain traction. Employers are adapting by establishing clear guidelines and expectations for remote work to maintain productivity and accountability.

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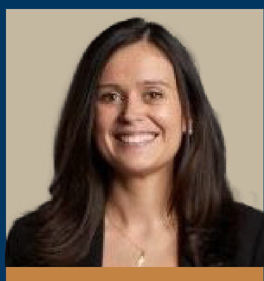

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Legislative developments

In 2024, there were no major legislative changes in the social sector, with only minor revisions in specific collective bargaining agreements, such as the National Collective Agreement for Maritime Carriers, Freight Forwarders and Transport Auxiliaries. These revisions mainly focused on operational standards, leaving core labour laws largely intact.

Looking ahead to 2025, no significant legislative shifts are expected. However, ongoing discussions around labour reform may yield targeted adjustments, particularly in response to the evolving influence of hybrid work models and digitalisation on workplace practices.

Anticipated workplace trends

Hybrid work models

Hybrid work remains a prominent trend, with broader acceptance across various sectors. Many employers are now recognising the benefits of this model in terms of productivity and work-life balance, leading to formalised hybrid work policies and the incorporation of related rights into collective agreements.

Gradual adoption of AI in recruitment

While interest in AI-driven recruitment tools is growing, their adoption remains measured. Many employers are still evaluating how AI can enhance fairness and efficiency in hiring while addressing privacy and anti-discrimination concerns.

These trends suggest a steady transformation in work arrangements and recruitment practices, propelled by technological progress and changing employee expectations.

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Legislative developments

Personal Data Protection Proclamation

The Personal Data Protection Proclamation (**Proclamation**) which had been in the making for a few years was finally enacted into a binding law on 24 July 2024. As anticipated, this new law regulates the storage, disclosure and processing requirements of personal data of employees.

The Proclamation applies to any person collecting and/or processing personal data. As controllers of data of employees, employers are covered under this new law and are required to comply with it. In particular, the collection and processing of data shall not be done in ways that are unduly detrimental, unexpected or misleading to the data subject.

Data controllers should collect personal data for explicit, specific and lawful purposes only. The purpose for which personal data is obtained needs to be specified to the data subject by the data controller and consent must be secured prior to processing.

Further, data controllers or processors are required to collect the minimum amount of data they require for their intended processing operation and ensure that personal data are processed in a manner that ensures the appropriate level of security and confidentiality.

The law also requires data controllers and/ or processors to register if they are to engage in data processing. However, the details of who must register and the procedure for registration are yet to be provided in a forthcoming implementation law.

Personal data collected or obtained locally are required to be stored on a server or data centre located in Ethiopia. The transfer of personal data outside of Ethiopia is regulated and requires the consent of the employee. The employer should also ensure that there exists an appropriate level of protection in that third-party jurisdiction. For sensitive personal data, such as genetic or biometric data of the employee, the prior approval of the regulatory authority is required.

Employers are required to comply with these obligations commencing from the date of the enactment of the law. They are also required to implement personal data protection measures in accordance with the rules prescribed under the Proclamation. In light of these new developments, data protection will be an area of focus for employers in 2025, and we anticipate that employers will be adopting policies and measures to ensure regulatory compliance.

Protection of refugees and asylum seekers

While existing refugee laws have previously recognised the employment rights of refugees and asylum seekers, there was no implementing procedure in place. This changed in August 2024 when a law titled Directive No. 1019/2024 to Implement Recognised Refugees' and Asylum Seekers' Right to Work (**Directive**) was issued by the Refugees and Returnees Service.

With the exception of a few sectors, such as national defence, security, foreign affairs and other similar political establishments, refugees and asylum seekers can now be employed after securing work permits. The employer has to apply for a work permit on behalf of these employees without the need to show that they have exceptional skills or expertise. Such work permits are valid for one year and must be renewed annually.

This Directive has also allowed and detailed the right of refugees and asylum seekers to engage in commercial activities except in areas reserved for Ethiopian citizens.

Anticipated workplace trends

National minimum wage and cost-of-living adjustments

While requests for collective bargaining were not as prevalent as anticipated in 2024, what has persisted and will highly likely continue to occur in 2025 is the request for cost-of-living adjustments.

In addition, and as explained in our last forecast, the setting of the national minimum wage has been an issue dominating the employment law regime in the past year. Given that the issue has not yet been resolved, we anticipate that such discussions will continue among stakeholders in the coming year.

In the past year, we have also witnessed the migration of employees who were covered by provident funds (or other schemes) to the pension fund scheme.

Gabon

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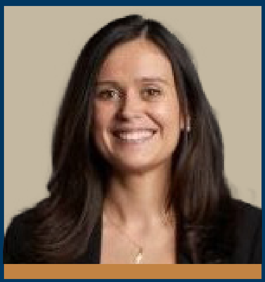

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Legislative developments

Adoption of implementing regulations for the Gabonese Labor Code

As anticipated, Gabon has continued to implement key regulations under its revised Labor Code throughout 2024. On 19 April 2024, three significant orders were issued by the Ministry of Labor, solidifying the Government's regulatory framework. These include:

- **order 00004/MTLCC:** Reorganising the National Commission for the Employment Admission of Foreign Workers, emphasising a stricter review of expatriate labour;
- **order 00006/MTLCC:** Detailing the responsibilities and organisational structure of Occupational Health Services, enhancing worker protections in high-risk sectors; and
- **order 00007/MTLCC:** Establishing new procedures for increasing the contribution rate for the occupational risks branch, providing greater support for workplace safety.

Further regulatory developments followed on 21 July 2024, with the issuance of:

- **decree 0293/PR/MAS:** Creating the General Directorate of Social Welfare to oversee the country's social security systems; and
- **decree 0315/PR/MTLCC:** Restructuring the General Directorate of Labor to improve the management and supervision of labour practices.

Additionally, Decree 0329/PR/MTLCC, passed on 1 August 2024, introduced new regulations prohibiting specific types of work for pregnant women, reinforcing labour protections for vulnerable workers.

These legislative changes reflect Gabon's ongoing commitment to operationalising the 2021 Labor Code, modernising labour governance, and reinforcing workplace protections.

Reshaping foreign workforce rules

In a significant move towards reshaping foreign workforce policies, Gabon's Council of Ministers approved a draft decree on 25 June 2024. Although not yet in force, this decree introduces stricter quotas for the employment of expatriates, restricting their roles primarily to managerial positions.

The decree aims to align work permit issuance with local labour market needs, promoting local talent over foreign labour where possible. Additionally, it introduces application fees for work permits and details the allocation of these fees.

This shift signals Gabon's continued efforts to prioritise national employment while maintaining room for foreign expertise in strategic areas.

Anticipated workplace trends

Workforce nationalisation and local content development

In 2024, the emphasis on workforce nationalisation, particularly in the oil and gas sector, was a key trend. This is set to intensify in 2025, with the recent approval of the draft decree on foreign workforce quotas. The Government is expected to push for more aggressive implementation of local hiring quotas, particularly in managerial and technical positions.

The decree limits expatriate employment to higher-level roles, reinforcing the importance of hiring and training Gabonese workers. In 2025, companies, particularly those in the hydrocarbons sector, will need to go beyond compliance and invest in skill development programmes to ensure local employees are well equipped to take on technical and leadership roles. This holistic approach to workforce development aligns with Government's objectives and supports the long-term sustainability of the sector.

Data privacy and regulatory enforcement

With the rising importance of data privacy regulations, 2025 is expected to see stricter enforcement of compliance in Gabon. The National Commission for the Protection of Data Privacy will likely increase its oversight, particularly in sectors handling sensitive personal and employment data, such as banking, telecommunications, and oil and gas.

Companies will need to not only maintain strong data privacy practices but also prepare for more frequent audits and potential fines. Non-compliant organisations risk facing penalties, making data privacy an ongoing priority for businesses.

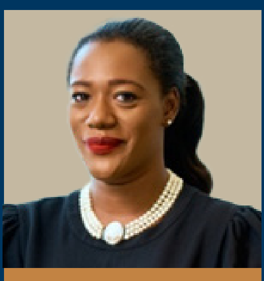
Hybrid work and flexibility

Although remote work did not gain significant traction in Gabon in the past, hybrid work arrangements are anticipated to grow in 2025, especially within the public sector and service industries. This shift is driven by an increasing demand for flexible working conditions, particularly among professionals in urban areas. However, large-scale adoption remains limited by infrastructural challenges, meaning hybrid work may develop unevenly across different sectors.

Focus on employee well-being

An emerging trend in Gabon for 2025 is the focus on employee well-being, including mental health. Companies are recognising the importance of providing benefits such as healthcare, wellness programmes and flexible working hours to support their employees. This shift follows global trends in labour practices and reflects a growing awareness of the need for comprehensive employee support to enhance productivity and job satisfaction.

Ghana



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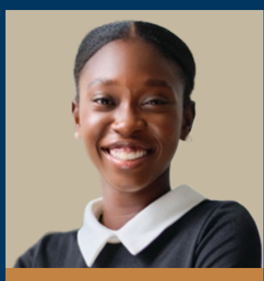

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Legislative developments

Expected changes airing from the Labour Bill, 2024 (Labour Bill)

The President of the Republic of Ghana has reaffirmed his commitment to passing the new Labour Act to replace the existing Labour Act, which was enacted over two decades ago. The Labour Bill seeks to modernise and improve employment standards across Ghana. We anticipate that the Labour Bill will be passed before the President's tenure ends in December 2024. These are some of the expected changes:

- **Termination of employment:** In Ghana, employment contracts can be terminated by mutual agreement between the employer and the employee. However, under the Labour Bill, this mutual agreement must occur either before the start of employment or at the point when termination is being considered.
- **Parental leave:** Female employees will be entitled to a minimum maternity leave of 14 weeks, an increase from the current 12 weeks. There is also an introduction of paternity leave, allowing male employees to take a one-time annual paternity leave of at least five days, within three months following the birth, including through surrogacy or adoption, of a child.
- **Overtime leave:** Employers will be prohibited from assigning overtime to pregnant employees or mothers of children under one year old unless the employee consents. In the current law, the age of the child is limited to eight months.

Gender equality

The Affirmative Action (Gender Equity) Act (**Act**) has finally been passed into law in Ghana, bringing to conclusion over 13 years of lobbying and amendments. Ghana joins other African countries including Burundi, Mozambique, Rwanda and Uganda, that, have enacted affirmative action legislation.

Under this Act, employers are mandated to ensure that women make up at least 30% of their workforce. This target will rise to 35% between 2027 and 2028, with the goal of achieving an equal gender representation of 50% women by 2029 to 2030. The phased approach provides employers time to gradually increase female representation, promoting gender equality in the workplace over the next decade.

In the private sector, employers are required to take measures to promote gender equality among employees. Employers must establish a gender equality policy that includes provisions to maintain the required quotas and must review this policy periodically, at least every four years. Employers who fail to comply with the provisions of the Act are liable to pay a fine of between GHS 6 000 (approximately USD 374.30) and GHS 12 000 (approximately USD 748.60). Alternatively, the employer may face a term of imprisonment of not less than six months and not more than 12 months or both.

In the public service, individuals who are interviewed for recruitment can file gender-based discrimination complaints with the Gender Equality Committee if such discrimination is experienced during recruitment.

In terms of enforcement, an Affirmative Action Committee is empowered to take specific actions to ensure compliance, such as a written commitment by a non-complying employer to rectify such non-compliance within a period of six months, and alternative dispute resolution (**ADR**) mechanisms to ensure cooperation when default continues.

The Minister of Employment and Labour Relations must issue Gender Equality Compliance Certificates annually to organisations that demonstrate a commitment to achieving workplace gender equality.

We expect guidelines to be developed for granting tax incentives to compliant employers. As a result, we expect employers to progressively hire more women and predict more inclusive workplace cultures to emerge from the novelties in the Labour Bill.

Minimum wage

Last year, we predicted an increase in the national daily minimum wage (**DMW**) to better align with the prevailing economic conditions. The National Tripartite Committee raised the DMW by 22% from GHS 14.88 to GHS 18.15 (approximately USD 1.05), effective 1 January 2024. This adjustment reflects ongoing inflationary pressures and the need to support workers' livelihoods amid the rising cost of living. In 2025, we anticipate a higher DMW because of the economic conditions.

Anticipated workplace trends

AI policy and recruitment

The rise of AI in recruitment has introduced new efficiencies in the hiring process, allowing companies to automate tasks like resume screening and candidate evaluations. We can expect to see AI-assisted recruitment systems becoming more widespread. Ghana's Data Protection Act 2012 (Act 843) grants an individual the right to request that any decision affecting them, such as being shortlisted, rejected or hired, is not made solely by an AI system or another form of automated processing.

Employers will need to strike a balance between the efficiency of AI and the need for human intervention to prevent biases or errors in AI algorithms. We expect to see AI-assisted recruitment systems becoming more widespread but paired with clear policies requiring human review for decisions that significantly impact candidates.

ESG compliance

Environmental, social and governance (**ESG**) trends continue to influence employment practices globally. In Ghana, we expect to see ESG integration and performance metrics for companies and employees.

In 2025, we anticipate that the National Green Jobs strategy, which is to create green jobs, develop green skills and promote green companies, will continue, and funding will be secured for this purpose. This will help create jobs in a sustainable manner, particularly for the private sector.

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Legislative developments

It seems 2025 will begin with some uncertainty when it comes to employment laws. Here are some developments we have had over this year which may still see some movement.

Housing levy

Kenyan employers are now obligated to deduct a housing levy from their employees' salaries. This follows the implementation of the Affordable Housing Act (**AHA**) in March 2024. The levy amounts to 1.5% of an employee's gross monthly salary. Employers are required to match this contribution and remit both amounts to the relevant authorities within nine working days after the end of the month.

In July 2024, the High Court dismissed a challenge to the AHA's constitutionality. The Court ruled that legislation enacted by Parliament carries a presumption of constitutionality unless proven otherwise. As a result, the levy remains in effect.

The AHA aims to address Kenya's housing shortage by making homeownership more accessible. The levy is expected to generate funds for the development of affordable housing projects across the country.

Social health insurance

The Social Health Insurance Act 2023 was introduced to replace the National Health Insurance Act and its structures. Under the new system, employers would be required to deduct 2.75% of their employees' gross income and remit it to the social health insurance fund (**SHIF**).

The High Court suspended the SHIF legislation after finding that the Government had not conducted adequate public participation before its implementation. The Court ordered the Government to undertake a more inclusive process before proceeding with the deductions.

The Court of Appeal granted a stay of the High Court's judgment, allowing the Ministry of Health to proceed with the implementation of the legislation. This means that from 1 October 2024 employers had to deduct a portion of their employees' salaries to contribute to SHIF.

Employment law changes arising from the Finance Act 2023 (Act)

The Finance Act 2024 was rejected after nationwide protests, leaving some Kenyan laws to be regulated by the previous Act.

However, on 31 July 2024, the Court of Appeal declared the Act to be unconstitutional for, among other reasons, lack of public participation in the process leading up to its enactment. The effect of the Court of Appeal's judgment was to reverse the tax rates and bands that were introduced by the Act.

On 20 August 2024, the Supreme Court issued a conservatory order suspending and staying the judgment of the Court of Appeal pending the hearing and determination of the substantive appeal. On 29 October 2024, the Supreme Court issued its judgment declaring the Act constitutional and setting aside the earlier decision of the Court of Appeal. Being the apex court in Kenya, the Supreme Court's decision is final and cannot be appealed. Therefore, the Act remains in force.

Protection of migrant workers

The Kenyan Government is considering new legislation to regulate employee transfers and protect the rights of migrant workers. The Employment (Amendment Bill) 2023 proposes to ensure that employee transfers are done in good faith and are fair and equitable. Meanwhile, the Labour Migration Management Bill 2024 aims to protect the rights of migrant workers and regulate the activities of recruiters.

Right to disconnect

The Employment (Amendment) Bill 2021 (**Bill**) seeks to amend the Employment Act 2007 and introduce a new concept of an employee's 'right to disconnect'. It essentially provides that an employee is not obligated to respond if contacted outside of work hours. The Bill provides that an employee shall not be reprimanded, face termination of employment or otherwise be subjected to similar actions for exercising their right to disconnect.

However, if the employee chooses to respond, they shall be entitled to compensation for the additional time spent or for hours worked outside normal working hours.

The Bill was rejected by the National Assembly in its second reading and has been sent to mediation. Should the Bill be passed, it will be necessary for employers to relook at employment contracts to ensure that they are not caught within this provision, or otherwise be prepared to adjust their policies to facilitate this new working dynamic.

Anticipated workplace trends

The growing 'gig economy'

The 'gig economy' in Kenya has been growing significantly over the last decade with platforms such as Bolt, Jumia, Uber and Upwork providing numerous opportunities for freelancers and independent contractors. We expect the gig economy to continue to grow in 2025 with the rising demand for flexible work options.

The 'virtual workplace' and AI integration

As anticipated in our 2023 publication, engagement in the 'virtual workplace' has indeed continued to gain traction throughout 2024 and we believe this will continue in 2025.

More employees in Kenya have embraced remote work, driven by the need for flexible working conditions and advancements in technology. This has set the stage for other trends that are expected to shape the workplace in the coming year.

The shift in 'virtual workplace' is strongly powered by fast-developing AI. The adoption of AI-driven solutions in workplaces is on the rise with companies trying to gain a competitive advantage, enhance productivity and streamline operations. This will also bring along the need for upskilling staff to keep up with the fast-evolving technology and changing industry demands.

The Meta Platforms case serves as a pacesetter for several anticipated work trends in 2025. We expect heightened scrutiny and regulatory oversight on the working conditions of individuals working in the gig economy and through digital platforms. Given the involvement of the Data Protections Commissioner in the Meta Platforms case, it is expected that data protection and privacy laws will become more stringent in 2025. The Meta Platforms case sets a precedent for how legal systems address issues related to virtual work environments.

Other trends include the recognition of digital business operations, the rise of employee advocacy, legal precedents for virtual work environments and a focus on mental health.

It is clear that, as the job market evolves, there is a greater need for a regulatory framework that focuses on data protection, cybersecurity and protection of gig workers to ensure fair labour practices and social protections.

Mauritius

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Legislative developments

Employment law changes arising from the Finance (Miscellaneous Provisions) Act 2024

The Finance Act has brought about new concepts and certain noteworthy amendments to our labour laws, namely to the Workers' Rights Act 2019 (**WRA**) and the Employment Relations Act 2008 (**ERA**) with a view to reflect the current economic conditions, strengthen workers' protections and adapt to evolving workplace requirements. The salient features that employers will need to adhere to going into 2025 are highlighted below:

- **Maternity Leave:** The length of maternity leave has been extended from a period of 14 weeks to 16 weeks, upon production of a medical certificate. The extension now also applies to a female worker who gives birth to a stillborn child or who has adopted a child younger than 12 months, provided that the employee has been in the continuous employment of the employer for 12 consecutive months and has produced a medical certificate or certified copy of the relevant Court order and a copy of the act of birth of the child. In addition, mothers who give birth to twins, triplets or multiple births, or to a premature baby will be entitled to a special two weeks' leave with pay in addition to the 16 weeks' maternity leave. Maternity leave is on full pay and applies universally regardless of the basic wage threshold. Certain allowances have also been introduced through the Mauritius Revenue Authority (**MRA**) to an 'eligible woman' as defined.
- **Paternity Leave:** Paternity leave has been extended from the prior duration of five continuous working days to a maximum of four consecutive weeks, on pay, and irrespective of the employee's basic wage, so long as the employee has been in the continuous employment of the employer for 12 consecutive months, both in case of childbirth or where a child younger than 12 months has been adopted.
- **Discrimination:** The existing provisions in the WRA as regards to discrimination have been reinforced in that it stipulates that (i) employees on maternity or paternity leave must not be discriminated against in respect of their career development or opportunity for promotion and (ii) termination of employment of employees on paternity leave may not be effected while they are on paternity leave. To clarify, the latter protection was previously limited to employees on maternity leave.
- **Vacation Leave:** Provisions for vacation leave afforded to those workers earning not more than MUR 600 000 in a year have been made more flexible as they now cater for the employer's business requirements. In particular, vacation leave shall be for a period of not less than six consecutive days; the worker should give notice of not less than three months (except in special circumstances) when applying for vacation leave; such application shall be approved by the employer, subject to reasonable business grounds; and where the employer refuses such application on reasonable business grounds, the worker and the employer may mutually agree on another period when the vacation leave is to be taken. Where no agreement is reached, the employer shall pay to the employee a normal day's wage in respect of each day's leave applied for and such payment shall be effected in the month the leave was due to start.
- **Time off *in lieu* of payment for overtime:** A worker having worked (a) during normal working hours and/or overtime on a public holiday, or (b) more than the normal working hours on a weekday, may now opt to be granted paid time off in any pay period *in lieu* of remuneration at the prescribed rates.
- **Right to disconnect:** The 'right to disconnect' is a new concept in Mauritian law which allows workers to disengage from work and related communications during designated unsocial hours, being between 10 pm on a weekday and 6 am on the following day, as well as from 1 pm on a Saturday until 6 am the following Monday. If the worker has worked during such unsocial hours, they are entitled to a disturbance allowance equal to their hourly wage for each hour worked, thereby being compensated for any inconvenience associated with such hours. However, the Finance Act also introduced certain exceptional circumstances to the right to disconnect. Workers may be required to work during unsocial hours in emergency situations or in cases where their working hours coincide with the working hours of the market they serve.

Anticipated workplace trends

Remote working

In our last publication, we discussed the adoption of remote working to promote a better work-life balance. While we have noted that remote working arrangements are now prevalent in many organisations, the Finance Act has introduced the concept of the 'right to disconnect' to reinforce the importance of having a healthy work-life balance. It essentially encourages employers to adopt a supportive work culture and draws clear boundaries between the personal and professional lives of the employees.

Wage adjustment

There have been changes through several regulations (being remuneration orders) relating to 'wages relativity adjustment' in respect of workers drawing a monthly basic wage of up to MUR 50 000 in various sectors. It was announced that the adjustments will be effective from 13 September 2024, having retrospective effect for July and August 2024.

The measure comes following upward adjustments of the national minimum wage rate over the last few years. The wages relativity adjustment thus aims to re-adjust the wage of certain categories of workers with respect to the increase in the minimum revenue of the low-income earners to maintain the necessary pay gap, depending on such workers' qualifications, experience and skills to keep pay structures fair and competitive.

Yet, certain enterprises have refrained from adjusting the wages of their workers on the basis that such amendments to the regulations under the ERA have not been made in conformity with the prescribed steps in the ERA.

On the one hand, an application for judicial review has been lodged in the Supreme Court of Mauritius by Business Mauritius, an independent association that represents over 1 200 local businesses, to review the legality of the amendments made to the regulations.

On the other hand, officers of the Ministry of Labour, Human Resource Development and Training have in parallel conducted inspections in several enterprises to ensure compliance with the new regulations. Roughly, as of 10 October 2024, out of 251 enterprises, only 150 had complied with the salary adjustments.

With increased inflation and reduced purchasing power, the outcome of the said judicial review will be determinant for workers in the private sector.

Morocco

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Legislative developments

Reform to strike law

Debates on the draft organic law on the right to strike continue. Initiated in 2023, the debates between the Executive, the unions and management were supposed to lead to adoption in 2024, but the divergences of the various parties involved in these discussions mean that this important reform of the right to strike cannot be adopted this year. It may have to wait until 2025.

Increase in SMIG/ SMAG

A Government agreement on wage increases has been signed under the aegis of the head of Government. The agreement provides for a 10% increase in the minimum interprofessional agricultural and non-agricultural wage (**SMIG**) in the private sector, to be implemented in two phases: a first increase of 5% in January 2025, followed by a second equivalent increase in January 2026. Similarly, the guaranteed minimum agricultural wage (**SMAG**) will be increased by 10% in two phases, with effective increases on 1 April 2025, and 2026.

The agreement also provides for income tax relief starting in January 2025. In principle, employees will benefit from the following measures:

- total tax exemption for salaries of less than MAD 6 000;
- for the middle classes (between MAD 6 000 and MAD 10 000 taxable salary): taxpayers will pay half of what they currently pay, representing a saving of between MAD 150 and MAD 700 per month per taxpayer concerned. On average, this income tax reduction will amount to MAD 400 per month.
- reduction in the maximum tax rate from 38% to 37%.

Old-age pensions

The Government has taken the necessary steps to ease the conditions for entitlement to old-age pensions. Currently, for a person to qualify for an old-age pension they must have worked a total of 3 240 days (if run consecutively this would equate to 8.88 years).

The new threshold is significantly less at 1 320 days (if run consecutively this would equate to 3.62 years).

Further, insured persons who have reached retirement age but have fewer than 1 320 days' declared, may recover their shares of employer and employee contributions.

Social security

Several notable developments are in store on the social security front. A decree (n°2-24-264) has been issued to implement law n°98-15 relating to the basic compulsory health insurance scheme and law n°99-15 instituting a pension scheme for professionals, self-employed workers and self-employed persons exercising a liberal activity.

The main provisions of this decree are as follows:

- the obligation for the National Social Security Body, Caisse Nationale de Sécurité Sociale (**CNSS**), to make available to insured persons, by all possible means, including electronically, the certificate of regularity of payment of contributions due to the CNSS, within 48 hours of request;
- referral to a decree by the Government authority responsible for social protection to set the model for the certificate, which is valid until the end of the month following the month in which it is issued; and
- verification that contributions have been properly paid by the relevant bodies, Government authorities, local authorities, and public establishments, via the electronic portal provided by the CNSS.

The Government is also planning a reform of the pension system, which will involve a complete revision of the system in the medium to long term, with the ambition of introducing a bipolar system that would separate public and private schemes. Key proposals include the introduction of a contribution ceiling equal to twice the minimum wage in both the public and private sectors, to pave the way for eventual unification of the system in the long term.

Other proposals, such as a gradual increase in the retirement age to 65, including in the private sector, accompanied by an increase in contributions, have also been put forward by the Government.

Anticipated workplace trends

Decline in remote working

While last year we anticipated that remote working would increasingly become the preferred option by 2024, full time remote working has been largely abandoned by companies in Morocco this year. Most of them have decided to return to full time office presence, or eventually having one or two days at a maximum on remote working.

Digitising Human Resources departments and accelerating digital transformation

Last year we reported that we anticipated seeing more companies utilising technology to improve their HR processes and such trend has been confirmed, with more companies looking to achieve totally digitalised HR departments.

More and more companies have embraced digital transformation with the aim of adding value to their business through digital products, services and experiences.

We do still believe that this will pose challenges for companies, who will need to bridge the skills gap that exists in these areas. Many companies will not only have to invest in these technologies, but also train their staff to work alongside intelligent machines. They will need to develop the very human skills that cannot currently be automated, such as creativity, critical thinking and interpersonal communication. There are various state schemes and programmes in place to help companies have properly trained and qualified people.

Attracting Moroccan talent working overseas

Morocco state is about to start various plans in order to attract and bring home Moroccans working abroad, in order to invest locally or to work for local companies and administrations.

Mozambique

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Legislative developments

Changes to the Compulsory Social Security Regulations brought by Decree No. 56/2024 of 30 July 2024

By means of Decree No. 56/2024 of 30 July 2024, the Council of Ministers approved specific changes to the Compulsory Social Security Regulation (enacted by Decree No. 55/2017 of 9 October 2017), particularly concerning maternity and paternity benefits.

Although enacted in July, these changes had retroactive effect to the date of entry into force of the current Labor Law (22 February 2024) (**Labor Law**). It is important to note that under the Labor Law currently in force the period of maternity leave was extended from 60 days to 90 days and paternity leave was extended from one to seven days, which may be further extended to 60 days in the event of death or incapacity of the child's mother.

The employer is not obliged to remunerate employees' absences in connection with maternity and paternity leave, as employees are entitled to receive a maternity/paternity allowance from the National Social Security Institute. The changes to the Compulsory Social Security Regulation increased the coverage periods to align with the Labor Law's provisions.

Regulation of Private Employment Agencies and the hiring of foreign employees

As a consequence of the entry into force of the Labor Law (which allows private employment agencies (**PEAs**) to hire foreign employees and assign them to third parties, called 'users'), the Private Employment Agencies Regulations (currently ruled by Decree No. 16/2018 of 23 April 2018) and the Regulations and Proceedings for the Hiring of Foreign Employees enacted by Decree No. 37/2016 of 31 August 2016, need to be revised.

These regulations are currently under revision and discussion, and several changes to the regimes currently in force are expected to occur in 2025.

Regulation of local content obligations for Concessionaires within the petroleum operations sector

In force since 5 July 2024, Ministerial Order No. 55/2024 approved the main guidance mechanisms for Concessionaires towards compliance with obligations within the petroleum operations sector.

These obligations relate to employment programmes, education programmes, association with nationals, preferential procurement, goods and services procurement and conduct adjustment.

Among other employment-related obligations, Concessionaires must ensure jobs and training for nationals, as well as fund and provide (to national individuals) training programmes at universities or other educational establishments.

Anticipated workplace trends

Virtual working

In our forecast for 2024, we discussed the possibility of teleworking being regulated through special legislation. Such legal framework has not yet been approved and we have no preview of a date for its approval, as no progress has been made.

AI

Although, as predicted last year, AI's use is increasing in Mozambique, there are no legislative developments in sight. Employers must continue to have regard to issues such as confidentiality and data protection in allowing employees to use AI in the workplace.

Namibia

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Legislative developments

Introduction of a national minimum wage

The Republic of Namibia has historically applied a comparatively conservative approach to the codification of legislative regulations pertaining to the basic conditions of employment in various sectors.

While the country's Constitution affirms that workers are to be paid a living wage adequate for the maintenance of a decent standard of living, this by no means constitutes an absolute right but rather only amounts to a Principle of State Policy aimed at promoting and maintaining the welfare of the people.

Principles of State Policy are unenforceable against employers in the absence of parliamentary promulgations specifically codifying a national minimum wage. In practice, the legislative framework regulating the labour industry in the country can largely be ascertained with reference to the Labour Act 11 of 2007 (**Labour Act**), Employment Services Act 8 of 2011, collective agreements concluded between employers and national trade unions and various Ministerial publications in Government Gazettes.

Notwithstanding the foregoing, the issue of a national minimum wage is now subject to codification for the first time in the Wage Order Setting the National Minimum Wage for Employees as published in *Government Gazette* 8409 of 7 August 2024 (**Wage Order**).

The Wage Order applies, with effect from 1 January 2025, to all employees, including employees placed by private employment agencies. Importantly, the Wage Order does not apply to members of the Namibian Defence Force, Namibian Police Force, Municipal Police Service, Namibia Central Intelligence Service and the Namibian Correctional Service.

The Wage Order provides that an employer must pay an employee an hourly minimum wage of NAD 18, with the exception of domestic and agriculture workers who are entitled to NAD 12 and NAD 10 hourly minimum wages with increments for these workers scheduled for 1 January 2026 and 1 January 2027 respectively.

It is worth noting that, dissimilar to the Republic of South Africa, the legislative framework applicable in Namibia precludes the payment of minimum wage in monetary payment as well as in-kind payment or employer contributions. As such, an employee's minimum wage does not include the monetary value of any in-kind payments or alternative employment benefits and/ or allowance and/ or employer contributions paid to the employee or a third party on behalf of the employee.

Going into 2025, employers will need to ensure compliance, as the national minimum wage shall, as of 1 January 2025, constitute a basic condition of employment of all employment agreements and the failure to pay an employee the prescribed minimum wage would amount to a contravention of the Labour Act.

Conversely, the Labour Act affords employers the right to apply for an exemption from the operation of a wage order for a stipulated period in certain circumstances.

Anticipated workplace trends

Increased disputes over employee benefits

Noting the recent promulgation of a national hourly minimum wage, employment benefit-related disputes are forecast with litigation likely entailing grievances regarding an employer's deviation from the terms of the Wage Order, the calculation of employee entitlements including severance payments, as well as administrative law-related litigation aimed at, reviewing and setting aside Ministerial decisions made in respect of applications for exemption from wage orders.

Nigeria

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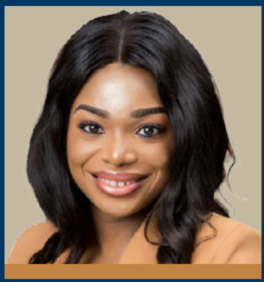

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Legislative developments

Increase in the national minimum wage

The National Minimum Wage (Amendment) Act 2024 (**Amendment**) took effect on 29 June 2024. This Amendment amended some of the provisions of the National Minimum Wage Act 2019 (**2019 Act**).

In particular, regarding the national minimum wage payable to workers in Nigeria, the monthly wage rate was increased from NGN 30 000 to NGN 70 000.

Additionally, the Amendment reduces the wage rate review period from five years to three years. As a result, the next review of the minimum wage should take place in 2027.

Other than the amendments to the wage rate and review period, the provisions of the 2019 Act remain unchanged.

Social health insurance in Lagos State

The Lagos State Executive Order No. EO/BOS/01 of 2024 (**Order**) was issued by the Lagos State Government on 16 July 2024. The Order requires all residents, employers and workers in Lagos State to comply with the provisions of the National Health Insurance Authority (**NHIA**) Act 2022 and the Lagos State Health Scheme Law 2015 (**LSHS**).

Prior to the enactment of the Order, the NHIA Act 2022, which is a federal statute, was enacted to provide a framework for health insurance for all citizens in Nigeria. The NHIA Act 2022 mandated the various states of the Federation to implement a state health insurance and contributory scheme (**Scheme**) that would cover all residents of the various states.

With the issuance of the Order, the implementation of this Scheme is now possible in Lagos State. The Order requires residents, employers and workers in Lagos State to subscribe to the social health insurance plan through the Lagos State Health Management Authority or an accredited private health insurance provider registered with the Lagos State Government.

Anticipated workplace trends

Extension of protection to all categories of employees

Last year, we discussed the anticipated amendment of the Labour Act Cap L1 Laws of the Federation of Nigeria 2004 (**Labour Act**) to address the changing labour and employment landscape as well as the extension of its provisions to all categories of employees.

The need for these amendments has continued to gain momentum throughout 2024, and it is expected that many of the proposed legislative bills introducing these changes will be passed into law in 2025 by the Nigerian National Assembly (the legislative arm of the Nigerian Government).

Implementation of Expatriate Employee Levy Scheme

We expect to see the implementation of the Expatriate Employment Levy Scheme in 2025. The Expatriate Employee Levy (**EEL**) was approved by the Federal Government of Nigeria to take effect from 15 March 2024, but due to widespread criticism from various interest groups, its implementation was suspended until further notice. However, it is anticipated that the EEL will be implemented in 2025 following further review.

The EEL is a government-mandated contribution imposed on employers who employ expatriate workers in Nigeria. Further to the provisions of the EEL handbook issued by the Federal Ministry of Interior, the EEL applies to expatriate workers (defined as non-citizens employed within Nigeria) who occupy expatriate quota positions, or have temporary work permits or visas or other temporary residency arrangements or are employed in Nigeria for a period of 183 days or more within a year.

However, the EEL does not apply to all accredited members of staff of diplomatic missions, government officials, accredited international agencies, as well as the dependants of all expatriate employees. This exemption will not apply where such dependants are employed while resident in Nigeria.

Senegal

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Legislative developments

A Labor Code reform in the making

Senegal's Labor Code was adopted in December 1997 and no major update or reform of the legal framework has been undertaken since then. Considering the significant changes that the labour environment has undergone during the last 25+ years, it has been decided to carry out a reform of the Labor Code (**Reform**), which is expected to be released in 2025.

Indeed, in view of the fantastic economic boom and industrial development that Senegal has experienced in recent years, the new President of the Republic, H.E. Bassirou Diomaye Faye, who was elected earlier this year, is pleading for an in-depth reform of the legal framework reflecting the priority set on the promotion of local jobs and the strengthening of workers' protection.

The Reform is expected to take into consideration the reinforcement of the legal powers of the labour administration to improve the implementation and enforcement of the laws and regulations governing the work environment, as per the International Labour Organisation's Labor Inspection Convention (C81 of 1947).

Part of the Reform is also foreseen to be focused on the digitalisation of the labour administration, which will decrease the impact of administrative slowness, which workers, employers and investors have been complaining about.

Anticipated workplace trends

Strict enforcement of local content regulatory framework

Following the adoption of a regulatory framework providing for, notably, local content rules applicable to the oil and gas sector, Senegal went on to extend those rules to the mining sector in 2023.

In view of the new Government's objectives to reinforce local capabilities and protect Senegalese jobs, we are expecting both a strict enforcement of the local content rules, as well as the adoption of further implementation decrees allowing the authorities the necessary powers to monitor and sanction employers in the energy sector for non-compliance with applicable provisions.

Senegal became a first-time-ever oil producer earlier this year, so it is foreseen that the oil and gas industry in particular will be closely watched and monitored by the authorities to ensure that Senegalese jobs are prioritised and protected.

South Africa

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Legislative developments

New 'wave' of labour law amendments

The Department of Employment and Labour has advised the public that a new 'wave' of labour law amendments is in the pipeline in South Africa. The amendments are reportedly intended to ensure labour laws remain relevant and responsive to the changes and challenges in the labour market, such as unemployment and the need to support small businesses.

It is understood that a Nedlac Report detailing the changes and agreements among social partners was to be submitted to the Minister by the end of October 2024. Following this, the Bill will be tabled before the Cabinet for public comment and subsequent Parliamentary processes.

Key proposals include simplifying procedural fairness and limiting compensation for procedurally unfair dismissals, excluding high-paid employees from certain statutory protection, dismissal and retrenchment procedures, improving the efficiency of bargaining councils and the Labour Court, and introducing a broader definition of 'employees'.

As these reforms take shape, employers must stay informed and be prepared to adapt to the evolving legal landscape.

Employment equity compliance

The Employment Equity Act 55 of 1998 (**EEA**) aims to promote equality and fair treatment in the workplace. Over the years, it has undergone several changes to address emerging challenges and enhance its effectiveness. In April 2023, President Cyril Ramaphosa signed the Employment Equity Amendment Act 4 of 2022 into law and we expected that it would come into force by the end of 2023.

This was not the case and, in February 2024, a revised version of draft regulations was released for further public comment. The regulations will become necessary to give effect to the new section 15A, once in force, which empowers the Minister of Employment and Labour to identify national economic sectors and to determine numerical targets for demographic representivity in the workplaces of 'designated employers' in these sectors.

At the time of publishing, and after much anticipation, the President has just proclaimed the effective date of the amendments to be 1 January 2025. It remains to be seen whether the February 2024 regulations will be published in final form or whether another version will be published for public comment. Going into the new year, employers, and particularly 'designated employers', will need to ensure that they take proactive steps to comply with the amended provisions of the EEA.

In the meantime, designated employers have been advised to report as usual for the 2024 reporting year, the deadline for online submissions of annual reports being 15 January 2025.

Remuneration disclosure

The hotly debated Companies Amendment Bills 2023 were promulgated in July 2024, but the effective date is still to be determined by the President through proclamation, which we expect is imminent.

Among other things, the amendments will introduce changes to corporate pay gap disclosure practices for public and state-owned companies. These include new remuneration policy and remuneration report approval requirements. The total remuneration of the highest- and lowest-paid employees, the average and median total remuneration of all employees and the pay gap between the top 5% highest-paid and bottom 5% lowest-paid employees must also be disclosed in the remuneration (implementation) report.

Affected companies are encouraged to take proactive steps to prepare for the amendments, including by amending their remuneration policies, adapting governance documents and considering which employees and legal entities to include for purposes of disclosure and what elements of pay constitute 'total remuneration'.

Additionally, the Johannesburg Stock Exchanges has proposed amendments to its Listings Requirements in response to the Companies Amendment Act 2024 and the Companies Second Amendment Act 2024, focusing on streamlining corporate governance and remuneration policy requirements.

National Health Insurance

The National Health Insurance (**NHI**) is a health financing system designed to pool funds to provide universal access to quality health services for all South Africans, addressing healthcare inequalities.

The President signed the NHI Bill into law shortly before the general elections in May 2024, ignoring stakeholder requests to return it to Parliament due to unincorporated public comments. Several stakeholders have expressed their intent to challenge the legislation, and we expect litigation in this area in 2025.

Anticipated workplace trends

Remote workers

Last year, we predicted a rise in the use of 'Employer of Record' service providers (**EORs**) by foreign companies seeking to engage local South African talent without having to establish a corporate presence in the country. This arrangement, which leverages the ability of employees to work remotely, continues to be an attractive option for foreign employers, particularly in the information technology sector.

In addition, we expect to see another category of remote workers emerging in South Africa in 2025 – foreign workers seeking to travel and spend an extended period in sunny South Africa while continuing to perform their work for their foreign employers on the new 'digital nomad' visa.

This visa, being a species of visitor's visa, was introduced in May 2024 pursuant to amendments to the Immigration Regulations and details on the requirements continue to be ironed out by way of further amendments.

Whilst being an attractive option for foreign workers, there are potential employment, corporate and tax risks involved for the foreign employer, which should be considered.

AI adoption

As predicted last year, more and more employers are bringing AI into the workplace in one way or another and we expect more rapid adoption in 2025.

Acknowledging the place and significance of AI, the Department of Communications & Digital Technologies has recently released a National AI Policy Framework (**Framework**) for comment, which will lay the foundation for how the country will govern the development and use of AI.

Among the strategic pillars outlined in the Framework is talent or capacity development with the aim of ensuring that South Africa has a robust AI talent pool. In this regard, not only do we anticipate that employers will use AI in their human resources processes, but AI will reshape job roles and skill requirements, prompting a greater need for continuous learning and upskilling initiatives in the workplace.

Mental health matters

We have seen an increasing number of ill-health-related matters in the workplace this year, particularly relating to employees' mental health, and we expect that this will continue in the new year.

In response to the increasing prevalence of mental health-related matters in the workplace, more employers are providing comprehensive support systems like Employee Assistance Programmes and mental health days, among other things, to foster a healthier work environment.

Cost-of-living allowances

With basic living costs in South Africa including food, transport and electricity rising faster than inflation, many households are feeling stretched, resulting in employees demanding salary increases that exceed CPI.

This year saw a number of tough negotiations between employers and trade unions, often resulting in strike action when workers' demands were not met. In September 2024, and as a means to achieve labour stability, a five-year wage agreement was signed with municipal workers that will see them receiving, among others, increases of CPI plus 0.75% in the 2025/26 and 2026/27 financial years and CPI plus 1.25% in 2027/28 and 2028/29.

Above inflation increases have not only been demanded in the public sector. We have been seeing employers in the private sector facing similar expectations and demands by their employees, which we expect will continue next year, over and above anticipated increases to the national minimum wage.

Tanzania

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Legislative developments

Handling of employee data

Last year we stated that going into 2024, employers would need to continue to relook at the way they deal with their employees' data to make sure that it complies with the Personal Data Protection Act 2022 (**PDPA**). We anticipated that by 2024, many employees would be aware of their rights concerning personal data and sensitive personal data and that violating their rights might make employers liable for offences under sections 60, 61, 62 and 63 of the PDPA. We also predicted that we might start to see enforcement action by the Personal Data Protection Commission (**PDPC**).

This year, Tanzania has taken further steps towards data privacy with the official launch of the PDPC on 3 April 2024. The establishment of the PDPC marks a new era of enforcement. With the PDPC operational, its powers have been acknowledged in court decisions, leading to wide-ranging impacts across various sectors of Tanzania's economy.

In ***Tito Magoti v The Honourable Attorney General***, Miscellaneous Civil Application Cause No. 18 of 2023, High Court of Tanzania at Dar es Salaam, a petition was filed challenging the constitutionality of sections 8(1), (2), (3), 11(1), 14(5), 19, 20, 22(3), 23(3) (c), (d), (e), 25(2) (e), (f), 26, 30, 31(2), 33(2), and 34 of the PDPA. However, in a judgment delivered on 8 May 2024, all provisions were found to be constitutional, save for sections 22(3) and 23(3)(c) and (e) which the Court held were vague, ambiguous and unclear, hence leading to uncertainty. The Attorney General was ordered within one year from the date of judgment to make necessary amendments to provide certainty as to what acts or omissions shall be regarded as unlawful. Failure to do so will result in these provisions being struck from the statute books.

Social security

The Social Security Laws (Amendment) Act No. 3 of 2024 has been enacted. It amends three pieces of legislation, namely the National Social Security Fund Act [Cap. 50], the Public Service Social Security Fund [Cap. 371], and the Workers Compensation Act [Cap. 263].

Key among the changes to the social security legislation for employers to be aware of is the enactment of a provision giving power to an officer of the fund (appointed by the Director of Public Prosecution in accordance with the law) to prosecute those committing offences under these laws.

Prior to this amendment, criminal proceedings could only be instituted by the Director of Public Prosecutions. By appointing a person from the fund to institute criminal proceedings, the chances are that going into 2025 and onwards, complaints by employees against employers who default in remitting contributions will be dealt with without delay as the social security funds will be using their own officers to institute criminal proceedings.

Another major change is that, where an employee's contribution to the fund has been deducted from the employee's salary by the employer without being remitted to the fund by the employer, the Director General of the fund can treat it as remitted wholly for any claim for payment of benefits, without prejudice to any action to recover the amount due from the employer.

Going forward, claims by the social security funds to recover the amounts they treated as paid by the employer will increase because no social security fund will pay on behalf of an employer who defaulted without recovering that money. As to the employees, cases of employees who retire only to find that they do not have enough funds remitted by the employer will decrease, because the law now requires the social security fund to treat the amount as remitted and then recover from the employer who did not remit.

The amendment has also raised the amount that an employee receives at the time of retirement from 33% to 36% of the amount collected by the social security fund. Although the increment is small, this will assist workers as they retire.

Calling for records for purposes of workers' compensation

Several amendments have also been made to the Workers Compensation Act. The major change that employers should be aware of is contained in sections 73(1) to (7) of that Act. Under these provisions, the Director General of the Workers Compensation Fund may require the employer to submit current certified returns of earnings showing the maximum amount of earning the employer paid the employee during a specified period and such further information as may be prescribed, or as the Director General may require. If the amount paid is less than the amount specified in section 74(4) of that Act, the Director General may require the employer to pay the difference.

An employer who fails to comply with this section commits an offence and, on conviction, will be liable to pay a fine of between TZS 500 and TZS 5 million, or imprisonment for a term not exceeding three years or to both a fine and imprisonment.

The obligation to furnish details is on the employer, and in the absence of the details, the Director General of the Workers Compensation Fund may estimate. Considering this, and because failure to comply is a criminal offence, compliance is expected to be high, which will relieve employees of any hardship that they would otherwise have faced.

Filling of income returns by non-resident employees

The Income Tax Act [Cap. 332] was amended by the Finance Act No. 5 of 2024 and the amendments became effective from 1 July 2024. New section 92(c) was added to section 92 in terms of which, unless requested in writing by the Commissioner General of Tanzania Revenue Authority, no return of income for a year of income shall be required under section 91 of the Income Tax Act from a non-resident individual whose income for the year of income consists exclusively of income from employment. This will relieve non-resident employees of the inconvenience of submitting annual returns.

Residence permits

Section 32 of the Immigration Act, which relates to the issuance of Residence Permits, originally allowed the issuance of permits for three years. That section has been amended by the Written Laws (Miscellaneous Amendments) Act No. 9 of 2024 to the effect that the Commissioner General of Immigration can now issue Residence Permits for two years, which may be renewed. However, under regulation 12(2) of the Non-Citizen (Employment Regulations) GN 331 of 2016, the work permit may be issued for not less than five years.

This will cause inconvenience because a non-resident who has a work permit of five years and a residence permit of two years, which may be renewed, will have to re-apply for a residence permit to continue working.

Anticipated workplace trends

Accommodating employees' religious beliefs/ practices

In our 2023 publication, we discussed accommodating employees' beliefs/ practices. We stated that, in light of the recent case law, we anticipated more awareness in the workplace of issues relating to employees' religious beliefs and that employers would have to consider terms of employment which accommodate employees' beliefs, or risk disputes. The decision which requires employers to take care of employees' beliefs in contracts of employment, being the decision of the highest court in Tanzania, is binding on all courts. Therefore, this issue is still predicated to trend in 2025.

Uganda

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Legislative developments

Employment law changes arising from proposed amendments to the Employment Act 2006

The Employment (Amendment) (No. 2) Bill of 2022 (**Bill**) was passed by Parliament on 24 May 2023 and then sent to the President for his assent. If the Bill becomes law, it will introduce a raft of changes to employment relations in Uganda. Briefly, the Bill seeks to, among other things:

- regulate the **labour export business** by providing for measures to mitigate the exploitation and abuse of workers who seek employment outside Uganda through recruitment agencies;
- provide a statutory formula for the computation of **severance allowance**, that is, one month's salary for each year worked by an employee;
- require all employers to avail facilities for **childcare and breastfeeding** for children of employees aged between three months and three years;
- provide clarity on the **distinction between dismissal from employment and termination of a contract of service**. The terms are currently used interchangeably, and this has led to inconsistent application of the law by the courts; and
- regulate the **employment of migrant workers** employed within Uganda by imposing limitations on jobs that may not be offered to migrant workers. These jobs are to be Gazetted, and no work permits shall be issued to migrant workers for these Gazetted jobs unless an exemption certificate is issued by the Minister for Gender, Labour and Social Development.

The President has neither assented to the Bill nor returned the Bill to Parliament for reconsideration. It remains to be seen whether there will be developments in 2025.

Regulation of human resources practitioners

On 23 August 2023, Parliament granted leave for the introduction of the Human Resource Managers' Professionals Bill 2023 (**HRMP Bill**), which seeks to regulate the conduct of human resource management professionals in the country.

The draft HRMP Bill provides for the establishment of the Human Resource Management Institute, which is charged with, among others, establishing and enforcing professional standards and ethics for human resource managers; registering all eligible human resource managers and human resources management consulting firms; conducting professional examinations; and promoting and protecting the interests of these professionals.

The HRMP Bill is yet to be tabled before Parliament as the mover of the HRMP Bill is still making consultations.

Occupational health and safety

The Minister for Gender, Labour and Social Development, Hon. Betty Amongi, tabled the Occupational Safety and Health (Amendment) Bill 2023 (**OSHA Bill**) to amend the Occupational Safety and Health Act of 2006.

The OSHA Bill seeks to cater for health and safety in all workplaces, removing inconsistencies in the principal act as well as streamlining the power of the Minister to make regulations. Some of the proposed amendments include:

- **Labour inspectors** shall have the power to prosecute employers who are found in contravention of the provisions of the law.
- All workplaces should have a **workplace policy on safety and health**, regardless of the number of employees employed in the enterprise.
- All workplaces must have **safety representatives** and a safety and health committee regardless of the number of employees employed in the enterprise.
- Employers must put in place **measures to prevent employees' or other persons' exposure to dust, noise, vibrations and other hazards** that may cause a nuisance, irritation and other health impairments. Employers will be expected to monitor the dust, noise and vibration levels and put in place measures for improvement.
- All **machinery, hand tools and equipment** must be properly earthed and double-insulated. All electrical equipment must be examined and certified every 12 months.

Anticipated workplace trends

Remote working and 'employer of record' services

Last year we predicted the increased adoption in 2024 of employee assistance programmes such as hybrid working. Many organisations now allow for a hybrid working model, ie, employees work remotely for a part of the work week, and this trend is expected to continue in 2025.

As anticipated, we also saw increased adoption of EOR arrangements and expect this trend to continue in 2025. An EOR is a third-party entity that assumes the role of legal employer and takes on all employer-related responsibilities on behalf of another company.

An EOR allows companies to efficiently engage talent without the compliance risk of violating local employment laws. Multinationals in the oil and gas sector were the biggest adopters in 2024. However, we also saw companies in the financial services and construction sectors increasingly take advantage of EOR arrangements.

AI adoption

It is early days, but AI is forcing its way into the workplace in Uganda, with widely used applications such as Microsoft Office (with Copilot), Adobe (Acrobat AI Assistant), and Google (Gemini) now incorporating AI.

Some HR consultancy firms are now using AI-driven analytics platforms to identify high-potential employees and tailor development programmes to individual needs, fostering talent retention and succession planning.

Given the significance of the technology, the Uganda Communications Commission launched an AI Task Force to drive the adoption of AI in the communications sector. The Task Force will review existing laws and regulations related to AI, identify gaps and challenges, and explore ethical considerations and international best practices.

The Task Force will also analyse the economic impact of AI on job creation, productivity, and overall economic growth, identify educational needs and encourage innovation and entrepreneurship in AI-related fields. We expect that the use of AI will only pick up steam, and that regulation around such usage might be formulated in 2025.

Litigation around violations of migrant workers' rights

In a recent ruling (*Namale Desire v Horeb Services Uganda Ltd* Miscellaneous Cause No. 0021 of 2023), the High Court of Uganda condemned a recruitment agency to payment of general and exemplary damages for its actions and omissions which led to the death of a migrant worker in Saudi Arabia.

The matter was filed by the daughter of the deceased migrant worker against the recruitment agency and its director. The Court found that the agency's abandonment of the worker and its failure to maintain communication ultimately contributed to her illness and untimely death, violating the deceased's right to life guaranteed under Article 22 of the Constitution of the Republic of Uganda. The Court affirmed that the recruitment agency remains legally accountable for all actions related to the recruitment and placement of workers abroad.

This ruling is especially important given the increasing reports of rights abuses visited on migrant workers who usually have no recourse against the abusive employers. This case is expected to lead to increased litigation against recruitment agencies that place migrant workers who are subjected to abuse by employers abroad.

Zambia

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Legislative developments

Anticipated employment law reform

In the first quarter of 2024, the Employment Code (Amendment) Bill (**Bill**), which sought to amend the Employment Code Act No. 3 of 2019 (**ECA**), was released for stakeholder engagements and consultations.

The Bill has since been withdrawn in response to concerns raised by various stakeholders, such as trade unions, who threatened to organise nationwide protests if the Government did not retract the amendments.

Overall, the concerns from stakeholders were that the proposed changes undermine workers' rights by revoking certain protections provided by the ECA in respect of gratuity, forced leave and contract transfers. We anticipate that a new draft, that addresses the various concerns raised, will be released by the Zambian Cabinet in 2025.

Minimum wage for vulnerable employees

Since the last upward revision of minimum wages for domestic workers, shopkeepers and general workers by between 31% and 42% in 2023, there has been no further revision. We anticipate an upward revision of the minimum wages in 2025 due to the continuous rise of the cost of living in Zambia, as well as the prevailing energy crisis.

Data protection compliance

The enactment of the Data Protection Act 2021 (**DPA**) created potential obligations on employers in respect of collecting and processing their employees' personal and sensitive data before and during the course of employment.

For instance, the DPA requires a person or entity that controls or processes personal data to register as a data controller with the office of the Data Protection Commissioner (**Commissioner**), carry out a data protection assessment and appoint a data protection officer.

A number of these obligations hinge on the regulations and guidelines to be issued by the Commissioner as well as the operationalisation of his office. At the time of writing, the Commissioner's office is yet to be operationalised. We anticipate that it will be operationalised in 2025.

It is therefore cardinal for employers to familiarise themselves with the obligations in the DPA and ensure compliance.

Anticipated workplace trends

Integration of AI

The use of AI has continued to increase rapidly. Several employers have begun integrating AI into their systems and providing training to their employees on AI tools, where necessary.

In 2025, we anticipate more integration of AI by employers looking to explore and adopt AI-powered technology in their systems to improve efficiency, reduce costs and operate competitively. Employers should, however, consider the privacy and data protection issues that may arise.

Focus on employee wellbeing

There is a growing emphasis on mental health and well-being in the workplace, reflecting a crucial recognition of its impact on employee performance and satisfaction. As awareness of mental health issues rises, employers are increasingly implementing comprehensive policies and programmes that support employee wellness, such as access to mental health resources, flexible working arrangements, and training for managers to address mental health concerns effectively.

This shift not only fosters a supportive environment for open conversations about mental health but also contributes to enhanced productivity and job satisfaction, ultimately leading to a more engaged and resilient workforce.

Policies for energy solutions

The prevailing energy crisis in Zambia, the worst in the nation's history, has prompted employers to create policies supporting alternative energy solutions for their employees. These policies include providing solar-powered solutions and offering salary advances or loans specifically for obtaining alternative energy sources. We expect this trend to gain traction in the coming year as more employers recognise the benefits of supporting their employees in this way.

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