

# HR LAW BRIEF: CEE

04/2024

## Dear Readers,

We are back with another edition of our HR Law Brief: CEE. Again, it's a 3-minutes read to bring you up to speed with the latest news from Central-Eastern Europe.

If you need any support in the CEE region, let us know.



**Sławomir Paruch** ✉

attorney at law, partner  
at PCS | Littler  
+48 604 198 589



**Marcin Sanetra** ✉

attorney at law, partner at PCS | Littler,  
qualified to practice in Poland and New York  
+48 502 487 721



**Bartosz Tomanek** ✉

advocate, partner  
at PCS | Littler  
+48 502 487 699

**HUNGARY’S TELEKOM ABANDONS 4-DAY WORKING WEEK**

Hungarian telecommunications provider Telekom was one of the first major companies in Hungary to attempt a four-day working week. However, the company that employs almost 7.000 people, announced in February that it was ending its test program of a shortened working week. Telekom explained that despite the extra day off, employees felt overworked on the remaining days, making work-life balance more difficult to achieve.

**THE PMI INDEX LAUNCHES IN ROMANIA**

In early March, the Purchasing Managers’ Index was launched in Romania. The Romanian PMI is designed to measure the performance of the manufacturing industry by assessing new orders, inventory levels, production, supplier deliveries, and the employment environment. The Romania Manufacturing PMI is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in July 2023.

**UPCOMING VAT AMENDMENT IN ESTONIA**

The Ministry of Finance has announced that it has submitted for approval an amendment to the law that will reduce the obligations for small Estonian businesses to register as a VAT taxpayer for cross-border operations.

Currently, a business must register as a VAT taxpayer in a foreign country if it incurs tax liability there, the ministry explained. A trader who is not registered as a VAT taxpayer is only allowed to operate in his country of residence if his turnover does not exceed the registration obligation threshold set in that country. In Estonia, this threshold is €40,000.

**AI IS DEVELOPING IN BULGARIA**

In January of this year, the INSAIT Institute at Sofia University announced the creation of the first Bulgarian own AI language model. The announcement generated a lot of interest, with thousands of citizens and hundreds of Bulgarian companies, as well as state and private organizations, requesting access to the technology and chatbot in just a few days. Public access to the BgGPT chatbot and its underlying models is part of INSAIT’s large-scale strategy for developing and implementing artificial intelligence in Bulgaria.

**POLISH PARLIAMENT REVISITS TRADE UNION ACCESS TO WORK PRODUCTIVITY DATA**

A parliamentary subcommittee has resumed work on amending the Trade Unions Act. The proposed amendment aims to grant trade unions the right to access information from employers regarding the parameters, rules, and instructions used by algorithms or AI systems that influence employment decisions. The legislative initiative, which began in the previous parliamentary term, faces opposition from the business, as critics argue that the draft lacks clear definitions for key terms and that unrestricted access to such data could potentially violate trade secrets.

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