

HR LAW BRIEF: CEE

03/2025



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.



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POLAND: WORK ON PAY TRANSPARENCY UNDERWAY

Poland has commenced work on implementation of the Pay Gap Transparency Directive, which seeks to provide job candidates and employees with clear and reliable pay information, helping to reduce gender-based pay discrimination. The bill requires employers to disclose compensation details in job offers and throughout employment. It also ensures employees can access information regarding average salaries by gender for those performing the same or equivalent work. Employers are strongly encouraged to already begin reviewing, through internal pre-audits, and updating their pay structures and policies to ensure fair and equitable compensation across all employee groups, as this process may be time- and resource-consuming.

UKRAINE: TAX EXEMPTIONS FOR EMPLOYMENT OF WAR VETERANS

Ukraine is considering a new bill designed to incentivize companies to hire war veterans. If enacted, the regulation would offer tax exemptions on profits to companies that employ at least 60% war veterans, with the exemption lasting for five years. Employers looking to benefit from this initiative will need to adapt their workplaces to accommodate the specific needs of veterans, ensuring their smooth integration into the civilian workforce and providing necessary psychological support.

HUNGARY: NEW HOUSING ALLOWANCE FRINGE BENEFIT

As of 1 January 2025, employers can offer a new fringe benefit to employees under the age of 35, which includes a housing allowance of up to HUF 150,000 (approx. EUR 365) per month or HUF 1.8 million (approx. EUR 4,400) annually. This allowance can be used towards rent or to assist with housing loan repayments. In addition, employers can provide tickets to sporting events or cultural services on a tax-free basis. Employers should update their benefits policies to be able to use these new possibilities.

CZECH REPUBLIC: DIGITIZED PROCESSING OF SICKNESS BENEFITS

Starting 1 January 2025, the management of sickness benefits, including nursing, maternity, and paternity allowances, has transitioned to a digital process. Employers are now required to handle sickness benefit applications through digital channels such as HR systems, email, or SMS. Employers must implement procedures for processing claims electronically, forward them to the district social security office, and ensure secure storage of the relevant documentation for potential audits.

ESTONIA: TARGETED INSPECTIONS IN FEBRUARY AND MARCH

Estonian Labor Inspectorate has announced targeted inspections aimed at companies where employees are exposed to carcinogens or engage in manual handling of heavy loads. These inspections, set for February and March, will focus on businesses with high exposure risks and may be conducted without prior notice. Employers should take proactive steps to ensure compliance with health and safety regulations and prepare for audits in advance.

LITHUANIA: NEW REQUIREMENTS FOR ADDITIONAL WORK AGREEMENTS

Starting 1 January 2025, employers must provide clear details in additional work agreements regarding hours, workload, and compensation. These agreements must specify: (i) the duration of the additional work, (ii) the total number of extra hours worked, along with remuneration or any surcharges, and (iii) procedures for granting additional rights or obligations. Notably, additional rights - such as extended rest periods, reduced working hours, or leave - will only apply during the period of additional work. Employers should review and update their additional work agreements to ensure compliance and avoid potential disputes over employee rights and benefits.

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