

HR LAW BRIEF: CEE

11/2025



Dear Readers,

We are back with another edition of our HR Law Brief: CEE. Again, it's a 3-minute 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: PAY TRANSPARENCY BILL WATERED-DOWN

Poland is in the process of passing a draft law on pay transparency. Employers may be required to disclose compensation information to job applicants at one of the three potential stages: (i) in the job posting, (ii) prior to the interview, or (iii) before the employment contract is signed. Additionally, job advertisements and job titles must be gender-neutral, and employers will not be permitted to request information about an employee's current or previous compensation. The bill is currently under review in the Senate (upper chamber of the Parliament). If passed, it is expected to enter into force six months after its adoption. Employers are encouraged to assess whether updates to their recruitment practices are necessary and to review and adjust their pay structures and policies to ensure fair and equitable compensation across all employee groups.

LITHUANIA: COURT RULING ON THE UNDERSTANDING OF CONFLICT OF INTEREST

The Supreme Court of Lithuania has issued a key decision in a case involving an employee who accepted a role with a direct competitor while on parental leave. The employer viewed this as a serious breach of duty and a reason for termination, citing a conflict-of-interest clause in the employment contract. The employee claimed the clause was an unpaid non-compete. The Court disagreed, finding employers may impose conflict-of-interest rules without extra pay if they do not unreasonably limit job opportunities. Importantly, the Court noted that not all conflicts of interest result in direct harm, but employees must refrain from actions that could potentially compromise their employer's interests. In light of this decision, employers — particularly in competitive industries — should review and refine conflict-of-interest provisions in employment contracts to ensure they are clearly defined, reasonable, and enforceable.

UKRAINE: LAW TO LIMIT EMPLOYER-INITIATED DISMISSALS

A new draft law submitted to the Ukrainian Parliament proposes significant amendments to the Labour Code. If adopted, the changes would limit employers' ability to terminate employees at their discretion. Under the proposed rules, dismissal would be allowed in cases of disciplinary misconduct or failure to fulfil job duties only if prior disciplinary action has already been taken. The reform is intended to strengthen employee protections and reduce the risk of arbitrary terminations. Employers are advised to review existing dismissal procedures and ensure alignment with the proposed changes. Proactive updates to internal policies and documentation may help minimize legal exposure and preserve employee trust during this regulatory transition.

CZECH REPUBLIC: UPDATED EMPLOYEE LEAVE ENTITLEMENTS IN CASE OF DEATH IN THE FAMILY

The Czech government has updated labour regulations to clarify and broaden employee leave rights in the event of a family member's death. The amended rules extend funeral leave entitlements to registered partners and standardize one day of paid leave, with an additional paid day if the employee is responsible for organizing the funeral. Employees are also entitled to up to five unpaid days of leave in the case of a close relative's death. Employers should review current leave policies and assess the operational impact of these changes. Updating internal procedures proactively can help ensure compliance, support workforce continuity, and reinforce employee well-being during difficult personal circumstances.

HUNGARY: DIGITALIZATION OF SOCIAL SECURITY BOOKS

Hungary has enacted legislation to transition from traditional paper-based social security booklets to a fully digital system, effective 1 January 2026. The new digital format will consolidate all relevant employment-related data in a single, accessible platform. Employers will benefit from faster, more efficient access to employee information, including insurance status, sick leave, and various benefits — helping reduce administrative burdens and streamline HR processes. Employees will also gain direct access to key details such as insurance coverage, sick pay, accident-related sick pay, childcare allowances, and adoption benefits. To prepare, employers should assess their internal systems and ensure readiness for the digital transition to maintain compliance and operational efficiency.

BULGARIA: INTRODUCING NEW REGULATIONS FOR WORKING PARENTS

Effective 1 July 2025, individuals receiving maternity benefits will lose their entitlement if they take up employment that includes mandatory sickness and maternity insurance coverage. This change reflects the purpose of the benefit — to support child care during early parenthood — making concurrent paid employment incompatible. The regulation is intended to prevent misuse of the system and reinforce the primary role of maternity leave. Employers should proactively inform affected employees about this change to help avoid unintended loss of benefits. Additionally, when hiring someone currently on maternity leave with another employer, HR teams should prepare for possible resignations or other organizational adjustments that may follow.

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