PCS

HR LAW BRIEF: CEE

13/2025

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.

Sławomir Paruch
attorney at law,
partner at PCS
+48 604 198 589

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

Bartosz Tomanek
advocate,
partner at PCS
+48 502 487 699

BULGARIA: EURO ADOPTION SET FOR JANUARY 2026

European Union officials have confirmed that Bulgaria has fulfilled all requirements to adopt the euro. As of 1 January 2026, Bulgaria will begin transitioning from Bulgarian lev (BGN) to euro (EUR) as its official currency. This change will have a significant impact on employers across all sectors. During the transition period, which is one month, both currencies may be used concurrently. However, once the change is fully in effect, all salaries, bonuses, allowances, and other employee-related payments must be calculated and paid in euros. Employers will need to review remuneration structures, adapt payroll systems for euro-based calculations, and update employment contracts and pay-related documentation accordingly.

UKRAINE: NEW EMPLOYMENT RULES DURING MARTIAL LAW

Effective 14 June 2025, Ukraine amended its labour legislation to further reflect the reality of martial law. The key changes include: (i) employers are no longer required to pay salaries, provide guaranteed benefits or compensation, or other employment-related entitlements during the suspension of an employment contract, (ii) starting on 14 March 2026, suspensions will be capped at 90 calendar days, (iii) dismissal due to absence caused by working in a war zone is strictly prohibited, (iv) both employers and employees must maintain continuous communication and are required to update their contact details within 10 calendar days following any change. Employers should closely monitor the duration of any employment suspension, take timely action to extend or end the contract if needed, as well as update their contact information, as it will be legally binding in case of a dispute.

ROMANIA: NEW PROGRAMME TO INCREASE ACCESS TO LABOUR MARKET

Romania has launched the EU-funded project aiming to improve job prospects for 20,000 people from groups including the unemployed, young people over 30, people with disabilities, from marginalized communities, from rural areas, returned from abroad, belonging to minorities, released from detention, refugees or beneficiaries of international protection. Participants will receive free vocational training, career counselling, and financial support. This project is an integral part of the National Employment Strategy 2021–2027. For employers in industries facing a shortage of skilled employees, this program may offer an opportunity to boost recruitment over the coming years.

POLAND: AMENDMENT TO THE LABOUR CODE AND THE LAW ON COMPANY SOCIAL BENEFITS FUND

Poland has submitted a bill amending the Labour Code and the Law on the Company Social Benefits Fund (ZFŚS). The proposed legislation permits certain labour law documents to be prepared in either paper or electronic form, eliminating the current requirement for handwritten signatures. The bill also stipulates that compensation for unused holiday leave will be paid together with the final salary, rather than on the last day of employment. Another significant change is that decisions regarding the Company Social Benefits Fund will now require the participation of multiple (i.e. at least two) employee representatives, replacing the existing practice of consulting only a single employee. If adopted, these changes would streamline HR processes, reduce administrative burdens, particularly in payroll, and enhance employee representation in matters related to Company Social Benefits Fund.

CZECH REPUBLIC: UPDATED EMPLOYERS' RESPONSIBILITIES CONCERNING RADIO AND TV FEES

The Czech Republic has significantly changed obligations regarding radio and TV fees for employers. Fees will now be based on the number of employees (Full-Time Equivalent) provided with devices capable of receiving broadcasts (such as laptops or mobile phones) rather than the number of receivers. This change applies to companies with 25 or more employees. Unregistered companies had to register by 16 May 2025, and begin paying from June. Registered companies must report employee headcount by 1 July 2025, with new fees effective from August. Violation of the payment obligation may result in a fine of up to CZK 10,000 (approx. EUR 400), and multiple fines may be issued for continued non-compliance. Registered employers must ensure they accurately calculate and report employee numbers by 1 July 2025 to remain compliant.

HUNGARY: SUPPORT FOR EMPLOYERS DUE TO THE MINIMUM WAGE INCREASE

Starting 1 July 2025, Hungary will launch a three-year support program to ease the burden of minimum wage increases on employers. Under the scheme, companies will pay lower social contribution tax calculated based on the previous year's minimum wage rates until 2027. Applications for support can be submitted through a simplified electronic procedure via the Hungarian State Treasury. The program will help employers better manage rising costs, and those wishing to receive support are advised to submit applications.