

NEWSLETTER 1/2017

Recent changes in the Labor Code:

Legislative changes regarding the requirements for sending Bulgarian employees on business trips in the EU, EEA and Switzerland

On 30.12.2016 the last amendments to the Bulgarian Labor Code ("**LC**") relating to the requirements for sending Bulgarian employees to the EU, EEA and Switzerland for the purpose of providing services came into force.

In accordance with the new Article 121a of the LC, for the duration of each employee's stay abroad, with effect from the first day of the trip, the employee shall receive at least the statutory minimum remuneration and/or the minimum additional remuneration for overtime and night work as established in the respective receiving country. Also, the employees must be provided with the same minimum working conditions as those applicable to the employees in the receiving state.

By virtue of the previous regulations, in force until 29.12.2016, this requirement was applicable only if the duration of the business trip exceeded 30 days.

The amendments in the LC are further regulated in detail in the newly adopted regulation on the requirements for sending Bulgarian employees for the purpose of granting services abroad (hereinafter referred to as the "**Regulation**").

The aforementioned amendments to the LC apply, amongst others, to:

- Bulgarian companies sending their employees on a business trip to the EU, EEA and Switzerland for the purposes of providing services; and
- Bulgarian temporary employment agencies sending Bulgarian citizens to work for a company in the EU, EEA and Switzerland.

In the case that a Bulgarian company sends its employee on a business trip to provide services, the employee remains under the supervision and the control of the Bulgarian employer. As per the provisions of the above mentioned Regulation, the employer and the employee must enter into an additional agreement to the labor contract regulating the terms and conditions of the business trip. This additional agreement shall determine the nature of the employment activity and the place of employment, the time of the business trip, the remuneration and the additional payments due, the duration of the working day and the working week, the length of the weekly rest, the official holidays in the receiving state, the paid annual leave term, the type of transportation to and from the receiving state and the exact route, etc. Entering into the additional agreement is a mandatory precondition for sending the employee on a business trip.



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In order to be allowed to send employees abroad, the Bulgarian temporary employment agencies must be registered in a special register at the Bulgarian Employment Agency. Another mandatory precondition is the entering into a specific labor agreement determining the working conditions and the remuneration of the employee.

The Bulgarian companies and the temporary employment agencies have a 30-day term, starting as of 09.01.2017, to comply with the newly adopted requirements.

The new legal regime does not apply in the case that the employee has been sent on a business trip outside the EU, EEA and Switzerland, as well as in the case of trips for the purposes of education, specialization, business meetings and conferences, to which the previous regulations shall apply.

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