European Employment Insights

Hungary faces minimum wage renegotiations, a proposed new public holiday and continued uncertainty over pay transparency rules.

09
26

ANDERSEN®



Context

Andersen Employment and Labor Service Line is your go-to partner for navigating the complexities of local and international labor laws and customs. We help you steer clear of employee-related issues while staying competitive in the global economy.

Our team comprises specialist lawyers and tax advisors who proactively guide both domestic and international companies of all sizes, spanning various industries. With a presence in most European Countries, Andersen offers top-notch advice through local experts. We stand by your side throughout the entire employment relationship, from its establishment to termination, making us your trusted partner in all employment-related matters.

We invite you to read in-depth employment information in our monthly Andersen Employment Insights newsletter. This newsletter provides an overview of the latest developments in employment law, guidelines, case law and collective agreements from various countries.

Stay well informed and maintain your competitive edge with Andersen.



Cord Vernunft
European Employment and Labor Law Coordinator
cord.vernunft@de.andersen.com



Magdalena Patryas
European Employment and Labor Law Sub-coordinator
magdalena.patryas@pl.andersen.com

Core values

Best-in-class
We aim to be the benchmark for quality in our industry and the standard by witch other firms are measured.

Stewardship
We hire the best and the brightest and we invest in our people to ensure that legacy.

Transparency
We value open communication, information sharing and inclusive decision making.

Seamless
Our firm is constructed as a global firm. We share an interest in providing the highest level of client service regardless of location.

Independence
Our platform allows us to objectively serve as our client's advocate; the only advice and solutions we offer are those that are in the best interest of our client.



European Guide to Support Employers
Non Compete Clauses

This guide provides a clear, practical overview of non-compete and post-employment restriction regimes in 28 European countries. It is designed to support business-oriented decision-making rather than academic analysis.

Read more



European Guide to Support Employers
Dismissals Guide

Each of the 30 countries has its country report, summarizing its individual and collective dismissal rules, formal requirements that must be observed, and the participation of employees representatives and state authorities.

Read more



European Guide to Support Employers
Employment of Managing Directors

This comprehensive guide provides a detailed overview of regulations and conditions surrounding the employment and appointment of managing directors within limited liability companies (LLCs) in over 30 European countries.

Read more



European Guide to Support Employers
Remote Work in Europe

Our guide sheds light on the current legal frameworks across 33 European countries, helping you develop effective remote work strategies tailored to your organization. Whether you're still weighing the pros and cons or already embracing remote work, this resource is invaluable.

Read more

You may also be interested in:

European Employment Insights

The guide provides an overview from over 20 European countries of recent legal developments, tips for navigating complex legal issues, and staying up to date on notable cases.

June Issue **July Issue** **August Issue**

INDEX

2 Andersen Global
4 Index
5 Partners Spotlight
9 Belgium
11 Bosnia and Herzegovina
13 Croatia
15 Cyprus
16 Germany
19 Greece
21 Hungary
22 Ireland
24 Italy
26 Lithuania
28 Moldova
30 Poland
32 Portugal
34 Slovakia
35 Spain
37 Switzerland
39 Ukraine

Partner Spotlight

Posting workers to Denmark - navigating pay and employment terms without a statutory minimum wage



Helle Melgaard, Counselor
hem@compamobility.com
COMPA Mobility ApS
Collaborating firm of Andersen Global

Denmark's labor market model can be challenging for foreign employers: there is no statutory minimum wage and collective bargaining agreements are not generally binding across entire sectors. Helle Melgaard explains how employers posting workers to Denmark should navigate mandatory employment terms, collective agreements, salary benchmarks and posting allowances.

Q: What rules determine salary and employment conditions for workers posted to Denmark?

HM: When a foreign company posts employees to Denmark temporarily, it must comply with the Danish rules implementing the EU Posted Workers Directive. Unlike many EU countries, Denmark has neither a statutory minimum wage nor generally binding sector-wide CBAs.

Work may nevertheless not be performed on arbitrary terms. Several legal frameworks apply:

- The Posted Workers Directive and the Danish Posting of Workers Act establish mandatory Danish minimum employment terms;
- A CBA may determine pay and working conditions or be enforced through the Danish industrial action model, including demands for an accession agreement.
- Commercial contracts, labor clauses and customer requirements may add obligations;
- If a Danish work permit is required, immigration law may separately require salary and employment terms customary by Danish standards.

This above rules concern salary and employment conditions for postings of up to 12 months. Registration with the Danish Register of Foreign Service Providers (RUT), work permit requirements and permit conditions are not addressed in detail.

Q: Which rules govern a posting to Denmark?

HM: The Posted Workers Directive requires posted employees to receive the host country's mandatory terms on working

time and rest, paid vacation, remuneration, health and safety, equal treatment and non-discrimination, temporary agency work, and travel, meals and lodging expenses.

The Directive does not set wage rates itself but refers to terms made binding through host-country legislation or relevant collectively agreed rules.

In Denmark, the Directive is implemented by the Danish Posting of Workers Act. Under Section 5, Danish rules on these matters apply regardless of which law otherwise governs the employment relationship.

Additional vacation and vacation pay may be required if home-country protection is less favorable. More favorable home-country or contractual terms cannot be reduced because of the posting.

For postings exceeding 12 months, broader mandatory Danish employment terms apply. Under certain conditions, this period may be extended to 18 months.

Q: When is an employee a posted worker?

HM: A posted employee normally works in another country but temporarily works in Denmark.

The Act mainly covers:

- work in Denmark under a service contract;
- posting to an affiliated Danish group company; and
- assignment through a temporary employment agency or another company supplying labor to a Danish company.

The employment relationship must continue throughout the posting, and the posting company must be genuinely established in its home country.

Nationality does not determine posting status for employment-law purposes, but it matters when assessing work authorization.

Q: Does Denmark have a minimum wage?

HM: Denmark has no statutory minimum wage. Salary is generally determined by individual contract and/or collective agreement. There is no general legal duty for Danish or foreign companies to enter into or comply with a collective agreement.

The Danish Posting of Workers Act sets no specific minimum wage, and a sector-wide collective agreement does not automatically bind posted work in Denmark.

Certain exceptions apply. For example, mandatory minimum hourly rates apply to some posted drivers.

Q: When does a CBA apply?

HM: A CBA may be binding on a foreign employer if:

- the employer belongs to an employers' organization that has entered into the CBA with the relevant union;
- the employer has entered into a direct company CBA or accession agreement with the union;
- the posted employees perform the same tasks as employees of the host company and the host company is covered by a CBA; or
- the employer has otherwise contractually agreed to comply with specified terms.

Beyond base salary, such agreements may regulate pension, flexible benefits or savings accounts, vacation, overtime, shift work, evening and weekend work, and public-holiday compensation.

Danish trade unions may require a foreign employer to enter into a collective agreement and, if Section 6a of the Danish Posting of Workers Act applies, support the demand through industrial action. The company

must first receive the relevant provisions of a nationwide agreement, with salary and other terms sufficiently clear and accessible.

If the posting company is not covered by a Danish CBA but the host company is, the host company's agreement may also be relevant to the terms applicable to the posted employees.

If the foreign company is not covered by or otherwise required to follow a CBA, the relevant CBA for the area remains an important benchmark for salary and other terms.

Q: How is the relevant salary level identified?

HM: If no CBA, statutory wage or statutory salary rate applies and there are no immigration-related salary requirements. For example, in the case of an EU citizen the starting point is the salary required by the employment contract and home-country law.

The Danish Posting of Workers Act does not itself require a salary set by a Danish CBA. However, the employer should identify the nationwide agreement covering the work and review terms for comparable work in Denmark. The assessment must reflect the actual duties, not the foreign job title or the employer's industry classification.

The relevant agreement may determine salary level, remuneration components, working-time rules and supplements.

Not all employee groups are covered by a CBA. Examples include engineers, managers, executives, certain administrative roles and positions generally requiring higher education.

Foreign employers posting skilled workers, such as craftsmen, construction workers, technicians or other vocationally trained staff, will most often need to align salary with customary Danish standards for comparable work.

For non-EU/EEA nationals, this is particularly important because work permits generally require salary and employment terms customary by Danish standards. A temporary salary increase may therefore be needed.

Q: How should posting allowances and travel expenses be handled for posted workers?

A posted worker should receive a written posting addendum specifying:

- fixed base salary and guaranteed supplements;
- pension contributions and vacation pay;
- overtime and shift-work supplements;
- posting or travel allowances; and
- reimbursement or direct payment of travel, meals and lodging;
- vacation and rest periods.

A genuine posting allowance may, under the Directive, form part of remuneration and reduce the difference between the home-country base salary and the relevant Danish level.

Under Section 9 of the Danish Salaried Employees Act, the employer must pay necessary travel and accommodation expenses outside the employee's usual workplace.

Q: What should employers do before posting?

Before work begins, the company should:

- Determine the employee's actual duties in Denmark;
- Identify the mandatory Danish minimum terms;
- Determine whether the company is covered by a CBA or labor clause;
- Identify any relevant sector-wide CBA;
- If none applies, identify another

appropriate benchmark, including the relevant DISCO occupational code;
- Determine whether a work permit is required;
- If so, determine the correct DISCO code and salary level applied by the Danish Agency for International Recruitment and Integration (SIRI);
- Separate salary and allowances from reimbursement of travel, meals and lodging on the pay statement;
- Prepare a written posting addendum.

Q: So, what should employers ultimately pay a worker posted to Denmark?

Neither Danish legislation nor CBAs establish a generally applicable minimum wage for all posted employees working in Denmark.

An employee may retain their regular home-country salary and terms, provided that the remuneration complies with any applicable sectoral or occupational collective agreement and other relevant requirements.

Where no collective agreement applies, relevant Danish salary benchmarks – and, where applicable, immigration requirements and DISCO codes – may help determine an appropriate salary level. In practice, posted employees may need a temporary salary increase to ensure that their remuneration meets the relevant Danish standards.

Helle Melgaard is a Counselor with extensive experience in employment law, collective bargaining agreements and union negotiations. Before joining COMPA Mobility, she spent more than 25 years as an HR Director, advising on employment matters, negotiations, HR transformations and outsourcing. Today, as Legal Counsel at COMPA Mobility, she advises Danish and international companies on inbound and outbound global mobility, working closely with colleagues across the Andersen network.



Belgium



LAW
Belgium introduces a new framework for cross-border workers

Belgium has revised its immigration framework for individuals who work in Belgium while continuing to live in a neighboring country. The new rules, applicable since 15 August 2026, are particularly important for employers engaging international and mobile workers.

The concept of cross-border work has been broadened and now expressly includes employees, self-employed individuals and posted workers. The underlying principle remains that Belgium is the place of work, not the worker's country of residence. The worker must therefore maintain their principal residence abroad and, as a rule, return there regularly.

The administrative process will depend on the worker's nationality and country of residence. EU/EEA and Swiss nationals benefit from a simplified regime without additional municipal registration formalities.

For third-country nationals legally residing in France, Germany, Luxembourg or the Netherlands, a new Annex 64 has been introduced. It can be issued for the duration of the employment, up to one year, and can subsequently be renewed.

A different procedure applies to workers residing in the United Kingdom. Where they are not covered by the Brexit Withdrawal Agreement, they will generally need to obtain a specific long-stay visa through the Belgian diplomatic or consular authorities.

The reform concerns immigration formalities only. It does not remove the need to obtain the appropriate Belgian work authorization or professional card, where required.

For employers, this is therefore a good time to review existing cross-border arrangements and verify whether the correct immigration and work documents are in place.



LAW
Belgian Social Criminal Law Reform

As of 1 September 2026, several important amendments to the Belgian Social Criminal Code have entered into force, in line with the broader reform of Belgian criminal law. One of the most significant changes concerns the limitation period for administrative fines. For social law infringements subject to level 2, 3 or 4 sanctions, the authorities now have 10 years instead of 5 years to impose an administrative fine. The possibility of interrupting this limitation period through investigative or prosecution measures has also been abolished.

The reform also reshapes the available sanctions. Fine amounts have been adjusted to align with the new Criminal Code, while alternative penalties, including community service, probation and electronic monitoring, have been introduced into the social criminal law framework. For the most serious, level 4

infringements, certain alternative penalties or imprisonment may also be combined with a criminal fine.

For employers, the extended limitation period is particularly relevant. Potential exposure following a social inspection may now remain open for considerably longer, making proper record-keeping and long-term compliance increasingly important. Employers should therefore review their social law compliance procedures and ensure that relevant employment and payroll documentation is retained and readily available for a sufficiently long period.

GUIDELINES
Collective redundancies continue to weigh on the Belgian labor market

The Belgian Federal Public Service Employment, Labor and Social Dialogue recently published its figures on collective redundancies in Belgium for the first half of 2026. The report provides an overview of collective redundancy procedures announced and completed between January and June 2026, with a breakdown by region, province and sector. The figures show that collective redundancies continue to have a significant impact on the Belgian labor market. During this period, 63 technical business units initiated an information and consultation procedure, affecting more than 5,000 employees.

The impact is not evenly distributed across the country. Flanders was clearly the most affected region, followed by Wallonia and Brussels. Antwerp and Hainaut were particularly impacted. However, the figures are based on the location of the technical business unit and do not necessarily correspond to the employees' actual place of work.

There are also significant differences between sectors. Transport and logistics were particularly affected, with major restructuring projects at companies such as Nike and UPS. Collective redundancies were also announced in the metalworking, chemical, retail and food industries.

Importantly, an announcement does not necessarily mean that all contemplated redundancies will ultimately take place. The information and consultation procedure can lead to a reduction in the number of dismissals. This was also reflected in the procedures completed during the first half of 2026.
The consultation process also takes time: completed procedures lasted an average of 72 days, with almost 90% completed within four months.

These figures confirm that restructuring remains an important issue for Belgian employers and employees in 2026.




Leila Mstoian, Partner
leila.mstoian@be.andersen.com
Youssra Andaloussi, Senior Associate
youssra.andaloussi@be.Andersen.com
Andersen in Belgium
Member firm of Andersen Global

Bosnia and Herzegovina



A probationary period may be extended up to six months with the employee's consent, giving the employee additional time to meet the requirements of a new position.

COURT

Probationary period may be extended with the employee's consent

An employer does not abuse its right to impose a probationary period where, following an employee's negative assessment during the contractually agreed probationary period, the employer and the employee verbally agree to extend the probationary period, up to a total of six months, to allow the employee additional time to acquire the skills required for the position, provided that such an agreement is made in the employee's interest.

The Supreme Court dismissed the employee's appeal on points of law and upheld the decisions of the lower courts, which had dismissed his claims seeking the annulment of the termination of his employment, reinstatement, and payment of salaries, taxes, and social security contributions. The employee had been employed by the employer since 2007. Following the abolition of his previous position at the end of 2019, he was assigned to another position, subject to an agreed probationary period of three months. Before the expiry of that period, he was informed that his performance had been assessed negatively; however, he was offered an extension of the probationary period for an additional three months, which he accepted. Following the completion of the total six-month probationary period, his performance was again assessed negatively, after which his employment contract was terminated.

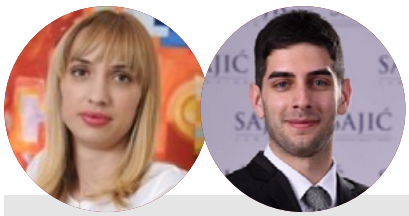
The key issue before the court was whether the extension of the probationary period was lawful, given that the written decision extending the probationary period had been issued subsequently. The Supreme Court held that the extension was lawful. The employee had been informed of the negative assessment before the expiry of the initial probationary period and had consented to its extension, while the total probationary period of six months was consistent with the applicable Labor Law. The Court held that the subsequent written formalization of an agreement reached earlier did not render the extension retroactive or unlawful. The extension of the probationary period did not constitute an abuse of the employer's rights; rather, it afforded the employee additional time to improve his performance and retain his employment.

The significance of the decision lies in the Court's position that the fact that an employee is already employed by an employer does not preclude the possibility of agreeing to a probationary period when the employee is reassigned to another position. A probationary period may last for up to the statutory maximum of six months, provided that the employee consents to it and that all other statutory requirements are satisfied.

As the employee failed to meet the requirements of the position even after completing the full six-month probationary period, the Supreme Court concluded that

there was a lawful basis for termination of his employment. The decision therefore confirms that an adverse assessment during a probationary period may constitute a lawful ground for termination of employment even where the employee was already employed by the employer, provided that the probationary period was lawfully agreed upon and its total duration does not exceed six months.

Judgment of the Supreme Court of the Federation of Bosnia and Herzegovina, No. 65 0 Rs 856492 26 Rev, dated April 7, 2026.



Sanja Djukic, Senior Partner
sanja@afsajic.com
Igor Letica, Partner
igor@afsajic.com
Law Firm Sajić
Member firm of Andersen Global



Croatia



LAW

New health examination requirement for temporary residence extensions

As of 22 July 2026, the Decision on the security measure for conducting health examinations and vaccinations of third-country nationals from visa-required countries for the purpose of extending temporary residence in the Republic of Croatia ("Official Gazette", No. 79/2026) has been in force.

The Decision was adopted following amendments to the Ordinance on the Residence of Third-Country Nationals in the Republic of Croatia, which introduced an obligation for third-country nationals from visa-required countries who have been residing in Croatia for less than three years to submit proof of a completed health examination when applying to extend their temporary residence.

New requirement for residence extensions

This requirement should be distinguished from the health documentation required when temporary residence is initially granted. For an initial temporary residence permit, a third-country national from a visa-required country must submit a Certificate of Health Status and Vaccination Status (Form 18a), issued within the previous 90 days. When extending temporary residence, persons who have resided in Croatia for less than three years must instead submit proof of a completed health examination. Under the Decision, the examination must be carried out within 90 days prior to submitting the application for the extension of temporary residence. The examination is conducted by the public health institute competent for the place of residence of the third-country national and/or by the Croatian Institute of Public Health. Where temporary residence is being extended for employment purposes, the third-country national must attend the examination on the basis of a referral completed by the employer using the prescribed form.

Following the examination, a Certificate of Completed Health Examination is issued. This certificate constitutes proof that the required examination has been carried out for the purpose of extending temporary residence.

Health examination and certificate

The examination is intended to detect acute and chronic communicable diseases and includes the procedures specified in the Decision. Vaccination status is also assessed, and vaccinations are administered based on the established vaccination status and epidemiological history, taking into account any existing Form 18a. Special rules apply to third-country nationals under the age of 35 who cannot provide proof of previously received doses of certain vaccines. Persons employed in healthcare or social welfare services are also subject to vaccination against HBV infection.

Change of employer and transitional rules

After the examination, the physician completes the relevant health certificate, confirmation of attendance and Certificate of Completed Health Examination. The latter must be retained throughout the third-country national's stay in Croatia and presented upon request to an authorized State Inspectorate inspector, a Ministry of the Interior official or

during a subsequent health examination. According to official clarifications issued by the Ministry of the Interior, a third-country national who has already undergone the required examination and holds the relevant certificate does not need to repeat the examination solely because of a change of employer. The obligation is linked to the extension of temporary residence, rather than merely to the extension of a residence and work permit with the same employer. Therefore, submitting a new application for a residence and work permit following a change of employer does not, in itself, trigger a new health examination if the examination has already been completed in accordance with the applicable rules.

Special transitional rules apply to extension applications submitted between 30 April and 22 July 2026. In such proceedings, a residence and work permit could be granted without prior submission of proof of the completed examination. However, the relevant employers and third-country nationals must submit the Certificate of Completed Health Examination to the competent police department or police station within three months of the Decision entering into force.

Read More





Ivan Matić, Partner
ivan.matic@kallay-partneri.hr
Kallay & Partners, Ltd.
Member firm of Andersen Global

Cyprus

LAW
Employer of record (EOR) employment model in the Republic of Cyprus

Employment law in Cyprus requires a person – legal or natural – to be identified as an employer for all purposes of performance of an employment contract. That same person is thereafter declared as the employer for all legal and statutory purposes relevant to that employment relationship. It follows that any person or entity declared 'on record' as an employer could satisfy these statutory requirements on paper. Absent of provisions to the contrary, there is nothing prohibiting that person from offering the role of employer as a service to third parties.

An employer of record (EOR) therefore is a business term coined from such employer-as-a-service arrangement. Under this model, a third-party organization in Cyprus holds itself out as, and formally registers itself on record as, an employer of persons that in fact perform contractual duties as employees to, and for, another business entirely (the "client company"). This means that the employment contract itself, and all employer obligations – legal and financial – arising out of that employment and for its entire contractual cycle (including all claims) rest entirely with the EOR. Against this backdrop, the employees perform their day-to-day duties agreed in their employment contract with the EOR under the control (instructions) of, and for the operational benefit of the business of, the client company. The EOR receives a recurring fixed fee from the client company for such service and also takes care of local labor laws, tax withholding, social insurance and statutory benefits to the employees, as well as the Cyprus authorities, as sole obligor.

The employer-as-a-service model enables the client company to employ personnel in Cyprus though an EOR without itself establishing legal presence, registering as an employer or becoming accustomed to the formalities of labor laws in Cyprus, all of which are shifted to the EOR. For new, as well as established, client companies without corporate footprint in Cyprus aiming to expand their service or product offerings in, or through, the Cyprus market, using an EOR is the preferred method of choice as it caters for the prompt commencement of operations in Cyprus without registration delays. Moreover, it provides clarity on the balance sheet of the client company as it is offered by the EOR as a service at a fixed cost which is fully tax deductible as a company expense. An EOR can also be strategically used as a tool for the structuring of lengthier probation periods in employment contracts, as well as to ring fence the client company (and its reputation) from employment claims.



Nick Tsilimidos, Counsel
legal@cy.Andersen.com
Andersen in Cyprus
Member firm of Andersen Global

Germany



A proposed reform would allow employees on long-term sick leave to work reduced hours from 2027, subject to their employer's consent.



LAW
Partial sick leave from 2027 on

The draft Statutory Health Insurance Contribution Rate Stabilization Act is intended to address the strained financial situation of the statutory health insurance system. To this end, the draft bill provides, among other things, for changes to sickness benefit. The aim is to reduce the rate of increase in statutory health insurance expenditure and to stabilize contribution rates starting in 2027. As part of these changes, Section 44c of the draft SGB V is intended to establish, for the first time, a legal basis for partial incapacity for work. Employees are to be able to work 25 per cent, 50 per cent or 75 per cent of their regular weekly working hours despite medically certified incapacity for work. This is subject to the condition that the illness is expected to last longer than four weeks and is not merely minor, as well as the employer's consent.

The key factor is the period covered by the new regulation: Contrary to a widespread misconception, it does not introduce a general provision for partial incapacity for work during the first six weeks of incapacity. Rather, partial incapacity for work is intended for long-term illnesses and applies to the period during which sickness benefits could generally be received after the continuation of pay has expired. Normal incapacity for work during the first six weeks thus remains unaffected by the proposed regulation. Employees must notify their employer of their willingness to work, the extent of their work and the period certified by a doctor. The employer has seven calendar days to decide whether to give their consent. If the employer remains silent, consent is deemed to have been granted. If consent is granted, the employer must notify the employee in writing of the date on which they are to resume work. If consent is denied, the partial incapacity for work is treated as full incapacity for work for the entire period covered by the medical certificate.

Pro rata remuneration is to be paid for the work actually carried out. The provisions of the Continued Remuneration Act (Entgeltfortzahlungsgesetz) apply accordingly; the maximum duration specified therein is not extended. Section 44c (5) of the draft SGB V expressly does not establish any entitlement to the provision or adaptation of the workplace.

For employers, the planned new regulations will, in particular, entail an additional need for administrative review. It must be clarified whether, and to what extent, partial work can be facilitated within the specific workplace. This may prove particularly challenging in the case of shift work and flexible work schedules. Payroll accounting, holiday entitlements, special payments, bonus schemes and cover for sick leave may also require adjustments.



COURT
Special requirements for employers towards disabled job applicants.

Under Section 164(1) of SGB IX, employers are required to assess whether vacant positions can be filled by people with severe disabilities. This obligation is intended to promote inclusive participation in the labor market and applies to all employers, regardless of the size of their company, whenever they advertise a vacancy internally or externally. In principle, this also includes placing a vacancy with the Employment Agency at an early stage.

According to the case law of the Federal Labor Court, a violation of this obligation may constitute an indication of discrimination based on a severe disability under Section 22 of the General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz). In such a case, the employer must prove that the rejection was based entirely on other grounds.

The Düsseldorf Labor Court has now contradicted this case law. In its judgement of 7 May 2026, it ruled that a simple violation of the support obligations under Section 164(1) of the SGB IX, without any additional link to the specific selection or recruitment decision, does not constitute sufficient evidence of discrimination. The court considers the previous case law in this regard to be outdated.

The ruling provides employers with new grounds for argument in compensation claims. However, it does not replace existing obligations: until case law develops further, employers should continue to check whether vacancies must be reported to the Employment Agency and, where required, ensure that this is done. At the same time, the ruling shows that a mere formal omission does not necessarily prove discrimination in the specific recruitment process.

Düsseldorf Labor Court, judgment of 7 May 2026, Case No. 2 Ca 6536/25.



GUIDELINES
Formal requirements for dismissals under employment law

A notice of dismissal must be formally valid. Under Section 623 of the German Civil Code (Bürgerliches Gesetzbuch), the written form, bearing the handwritten signature of the person authorized to give notice, is mandatory; electronic forms (Docusign, scanned copy) are not sufficient. The notice of termination only takes effect upon receipt by the employee, which must be proven by the employer in case the employee contests it.

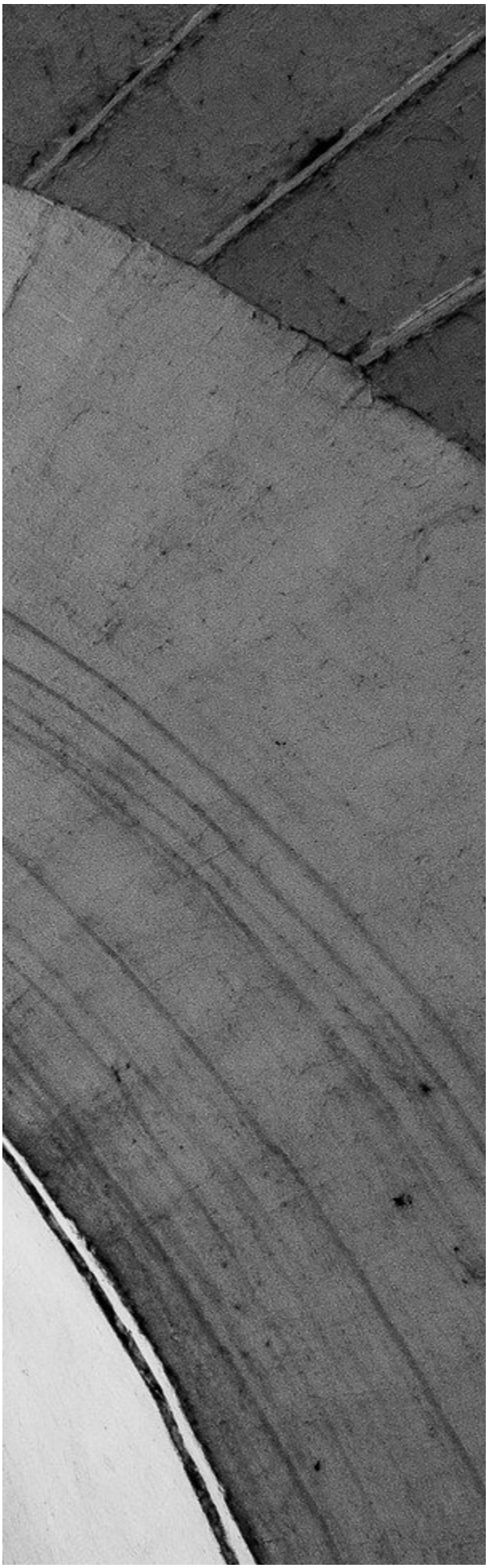
The notice of termination must also be clear and unambiguous. If a representative is involved, the absence of an original power of attorney may, pursuant to Section 174 of the German Civil Code, lead to the notice of termination being rejected.

If there is a works council, consultation with it is mandatory pursuant to Section 102 of the German Constitution Act (Betriebsverfassungsgesetz). Additional requirements apply to employees who enjoy special protection against dismissal (pregnancy, works councils, disabled, parental leave). In the case of people with severe disabilities, prior consent from the

integration authority is generally required in accordance with Section 168 of the German Social Code IX (Sozialgesetzbuch IX).

Formal mistakes can render a notice of termination invalid. Notices of termination should therefore be carefully checked before they are served to ensure compliance with the written form requirement, the authority to act on behalf of the employer, proper service, consultation with the works council, special protection against dismissal and, where applicable, any required written warning.

In the case of dismissal without notice, particular attention must be paid to proportionality and the two-week period laid down in Section 626(2) of the German Civil Code (BGB).





Kathrin Pietras, Partner
kathrin.pietras@de.Andersen.com
Andersen in Germany
Member firm of Andersen Global

Greece



Employees will have a statutory right to information on their individual pay and average pay levels for employees performing the same work or work of equal value, broken down by gender.

LAW

Greece implements the EU Pay Transparency Directive

Law 5316/2026 implements Directive (EU) 2023/970 on strengthening the application of the principle of equal pay for equal work or work of equal value between women and men through pay transparency and enforcement mechanisms. While the law is already in force, its principal provisions introducing new employer obligations will apply from 1 November 2026, thereby allowing employers a transition period to assess their remuneration frameworks and implement the measures necessary to ensure compliance. The new framework has a broad scope of application across the private sector, covering employees irrespective of the type of their employment relationship, including those engaged under flexible working arrangements (e.g. part-time work, remote working). Certain provisions also extend to job applicants during the pre-employment stage, while some employer obligations apply only to employers meeting specified employee thresholds.

Recruitment

Employers must ensure that job vacancy advertisements and recruitment procedures are gender-neutral and do not give rise to direct or indirect discrimination. Applicants must be informed of the initial pay or pay range applicable to the position, determined on the basis of objective and gender-neutral criteria, prior to the interview stage (or, where no interview takes place, prior to the conclusion of the employment agreement). Employers may no longer request information regarding remuneration received under previous employment relationships.

Pay structures and employee information

During the employment relationship, employers will be required to establish and implement, in written form, transparent pay structures based on objective and gender-neutral criteria and make readily accessible to employees the criteria governing remuneration, pay levels and pay progression. Employees will also have the right to request information regarding their individual pay level and the average pay levels of employees performing the same work or work of equal value, differentiated by gender. Employers must inform employees annually of this right.

Pay confidentiality

Employers may no longer include pay confidentiality clauses restricting employees from disclosing their remuneration where such disclosure serves the purpose of safeguarding the principle of equal pay between women and men.

Gender pay gap reporting

The law introduces periodic reporting obligations for employers with at least 100 employees, requiring the submission of gender pay gap information to the Greek Ombudsman for the purpose of monitoring the gender pay gap and enhancing pay transparency. The reporting obligation is subject to different submission deadlines depending on the size of the undertaking. Where unjustified pay disparities are identified and are not remedied within the statutory timeframe, employers will be required to conduct a joint pay assessment together with employee representatives and implement appropriate corrective measures in accordance with the law.

Given the breadth of the new obligations and the significant administrative and civil sanctions for non-compliance, employers should use the transitional period before 1 November 2026 to assess existing remuneration policies, establish transparent pay structures and ensure that recruitment practices align with the new legislative framework.





Anastasios Triantafyllos,
Managing Partner
anastasios.triantafyllos@gr.AndersenLegal.com
Andersen Legal in Greece
Member firm of Andersen Global

Hungary

Hungary faces minimum wage renegotiations, a proposed new public holiday and continued uncertainty over pay transparency rules.

COLLECTIVE AGREEMENT

Next year's minimum wage negotiations, a new public holiday, and pay transparency

In early September 2026, the fall rounds of negotiations on the 2027 minimum wage will begin between the Hungarian government and employer and employee organizations in the private sector. Employers have already indicated that the previously agreed-upon double-digit increase is not sustainable (i.e., the three-year agreement concluded in 2024 - which provided for a 14 percent increase starting in 2027 - will need to be revised, as the economic performance required to achieve this, exceeding 4 percent, is falling short of expectations).

The National Association of Entrepreneurs and Employers has indicated that a more modest, single-digit increase in the minimum wage and the guaranteed minimum wage - from the current gross amounts of 322,800 and 373,200 forints, respectively - may be realistic.

Employee representatives, however, are calling for an increase. According to the National Federation of Workers' Councils, the minimum wage should reach half of the regular gross average wage in Hungary.

Declaring December 24 a public holiday will also be on the agenda at the meetings; the Workers' Councils have already submitted a specific legislative proposal to the relevant ministry regarding a simple amendment to the Labor Code, and the proposal will be presented to Parliament this fall.

Meanwhile, there is still no draft legislation for the implementation of the Pay Transparency Directive.



dr. Szilvia Fehérvári, Partner
Szilvia.Fehervari@hu.AndersenLegal.com
Andersen Legal in Hungary
Member firm of Andersen Global

Ireland



A new process allows employees to recover certain unpaid entitlements where their employer has ceased trading without entering formal insolvency proceedings.



LAW

New insolvency protections for employees in Ireland

Further provisions of the Protection of Employees (Employers' Insolvency) (Amendment) Act 2026 came into operation in Ireland on 8 June 2026.

The newly commenced provisions support the introduction of a new process under Ireland's Insolvency Payments Scheme, a statutory scheme administered by the Department of Social Protection that provides payment of certain employment-related entitlements where an employer is insolvent.

The provisions were brought into force by a commencement order issued in 2026.

The newly introduced "Deemed Insolvent Process" is designed to assist employees whose employers have ceased trading without formally entering liquidation, receivership or bankruptcy.

Under the process, employees may be able to access the Insolvency Payments Scheme where certain statutory conditions are satisfied. The process applies in circumstances where an employer has ceased trading and employment-related debts remain unpaid and became due on or after 8 December 2024.

The Department of Enterprise, Tourism and Employment has stated that the new process is intended to provide an additional route for employees to recover unpaid statutory entitlements through the Social Insurance Fund in situations where traditional insolvency procedures have not been initiated.

The Government has also emphasized that a determination of "deemed insolvency" applies solely for the purposes of access to the Insolvency Payments Scheme and does not affect an employer's legal status under company or bankruptcy law.

The reforms represent a significant extension of employee protections and broaden access to the Insolvency Payments Scheme in circumstances that were not previously covered by the existing framework.

The 2026 Act also provides for a Historical Deemed Insolvent Process, which is intended to address qualifying cases arising between 22 October 1983 and 7 June 2026 where an employer ceased trading without entering a formal insolvency procedure.

LAW
Former CEO awarded €420,172 for constructive dismissal

In Barry Flannery v Xerotech Limited (In Liquidation), the Workplace Relations Commission (the "WRC") awarded a former Chief Executive Officer €420,172 in compensation after finding that he had been constructively dismissed.

The complainant, who had served as CEO/CTO since October 2019, resigned in December 2024 after a series of actions by the company which he claimed substantially restricted his ability to perform his role.

The WRC heard that his access to key business systems, including project management and document platforms, had been removed, his communications were monitored or redirected, and allegations of misconduct were discussed internally without being put to him or subjected to any formal investigative or disciplinary process.

The complainant maintained that these actions effectively excluded him from the management of the business and rendered his position untenable.

The adjudication officer found that the respondent's conduct amounted to a fundamental breach of the implied duty of mutual trust and confidence. In particular, the unilateral removal of access to systems, the monitoring and redirection of communications, and the complainant's exclusion from operational functions without any form of process deprived him of the ability to perform his role and fundamentally undermined the employment relationship. Taken together, these actions amounted to a repudiatory breach of contract, making it objectively reasonable for the complainant to regard himself as dismissed.

The decision is also noteworthy for its approach to compensation. In assessing financial loss, the WRC awarded losses reflecting the complainant's six-month contractual notice entitlement and considered the impact of post-termination restrictive covenants on his ability to obtain comparable employment. The adjudication officer also accepted that the limited availability of CEO-level positions and the disruption caused to the complainant's career trajectory warranted an extended assessment of future loss, citing the WRC's earlier decision in Rooney v Twitter International Unlimited Company. Compensation was ultimately assessed at €420,172.



Cian Moriarty, Partner
cmoriarty@philiplee.ie
Catriona Walsh, Senior Associate
cwalsh@philiplee.ie
Philip Lee
Collaborating firm of Andersen Global

Italy



GUIDELINES
INPS limits backdating of illness certificates

With Guidelines No. 92 of September 4, 2026, INPS (the Italian social security agency) clarified that an employee's illness may be certified as effective from the day before the date of the certificate, but not from an earlier date. This applies both to the initial certification of an illness and to certificates extending an existing period of illness. The guidelines partially amend the existing practice. Their main purpose is to regulate the periods of illness for which INPS will bear the cost of the sickness allowance and the days for which no allowance will be paid. The guidelines do not directly apply to the employment relationship between an employer and an employee but may influence decisions in that respect.

COURT
Occupational safety obligations of the employers of delivery riders

On August 4, 2026, the Court of Turin issued an injunction (No. 20490) against a well-known international company that organizes the delivery of food and other products through delivery riders.

The petition had been filed by one of the riders, mainly in response to extreme heat conditions, but more broadly alleging that the company had failed to comply with several occupational safety obligations, including, among others, the obligation to:

- suspend deliveries during hours of peak sun exposure;
- provide adequate clothing for extreme heat and cold or rainy weather, as well as sunscreen, filters, mineral salts and thermal water bottles;
- provide face masks to filter city pollution;
- identify adequate shelters in case of hail or other weather risks;
- provide first aid kits; and
- ensure access to restrooms.

The Court stressed that several safety recommendations that the company had made to the riders were not sufficient and that the employer had an obligation to actually ensure safety and actually provide personal protection devices and the other items necessary for safety reasons.

COURT
Mileage allowance may be due without express authorization

The Court of Cassation upheld an employee's claim for an allowance for the use of his own car for work-related activities.
The relevant collective agreement required an allowance to be paid where the employer had authorized the employee to use his or her own car or the employee had accepted a request by the employer to do so.

In the case reviewed by the Court, the employer had not expressly authorized the employee to use his own car to perform his

duties. However, according to the Court, the fact that the employer had never objected to the use of the employee's own car, together with the fact that the company's instructions implicitly required him to use a car, meant that the company could be deemed to have requested him to use his own car.

Court of Cassation, decision No. 24114 of July 27, 2026

COURT
Employees may claim compensation for unpaid lunch vouchers

According to prevailing case law, employees are not generally entitled to a canteen service. Lunch vouchers are also not generally mandatory but may be due under collective agreements or company policies. Moreover, prevailing case law considers lunch vouchers not to constitute remuneration, but rather a welfare measure intended to reconcile work obligations with employees' well-being. The Italian Supreme Court nevertheless upheld a claim by a group of employees for compensation for lunch vouchers they had not received. The Court held that, even though lunch vouchers do not constitute remuneration, employees cannot be left without a remedy where they have not been provided with lunch vouchers to which they were entitled.

Italian Supreme Court, decision No. 24194 of July 29, 2026



Uberto Percivalle, Partner
uberto.percivalle@it.Andersen.com
Andersen in Italy
Member firm of Andersen Global



Lithuania

Lithuania's Supreme Court has clarified that litigation costs in labor disputes should not always be allocated strictly in proportion to the amount of the claim awarded.

COURT

How much does a labor dispute cost?

In civil proceedings, the losing party covers the litigation costs. If a claim is granted in part, costs are apportioned proportionally. The rule is simple, but in labor cases it can sometimes produce plainly unfair results.

In September 2025, the Supreme Court of Lithuania explained that when apportioning litigation costs, what may matter is not the extent to which a claim was granted, but whether the claim was granted at all.

A second point concerns the Labor Disputes Commission. Under the Labor Code, disputes over rights are heard free of charge and the parties' litigation costs are not awarded at all. An exception applies as of 2026 to pay discrimination cases. Amendments to the Labor Code implementing the EU Pay Transparency Directive entered into force on June 7, 2026. Among them is a new rule in Article 217(4): in cases involving a claim of pay discrimination, the court may depart from the cost-allocation rules of the Code of Civil Procedure, considering whether the parties' procedural conduct was proper.

The allocation of litigation costs in labor cases therefore deserves growing attention.

Supreme Court of Lithuania, ruling of September 2025, Case No. e3K-3-128-1120/2025

Read More

GUIDELINES

Some employers have still not implemented mandatory violence and harassment prevention measures

In May 2026, the State Labor Inspectorate conducted an anonymous survey in which employers could assess for themselves whether their prevention of violence and harassment at work meets statutory requirements. Nevertheless, some employers have still not fulfilled the necessary duties laid down more than three years ago.

An employer must provide every employee with working conditions that are not harmful to health and create a working environment in which the employee is not subjected to hostile, unethical, degrading, aggressive, abusive or offensive conduct that attacks the honor and dignity or the physical or psychological integrity of an employee or a group of employees, or seeks to intimidate, belittle or render them helpless. Violence and harassment prevention measures must be applied by every employer, regardless of the size of the company, institution or organization and its economic activity.

Employee training on the risks of violence and harassment, prevention measures, rights and duties is mandatory in all companies, institutions and organizations, regardless of the number of employees. Merely adopting a violence and harassment prevention policy, publishing it and informing employees of it is not considered training. Therefore, the employer must monitor how prevention measures are implemented and ensure their effectiveness.

Read More

Lithuania plans changes to labor dispute proceedings, including longer timelines and publication of decisions.



LAW
Planned changes to the Labor Code

A new draft amendment to the Labor Code of the Republic of Lithuania has been registered in the legislative system, seeking to improve the work of the Labor Disputes Commissions. This is a draft law that still must be considered and adopted by the Seimas, but if it is approved, the new rules will enter into force on July 1, 2027.

What are the main changes?

First, longer proceedings: for objective reasons, the chair of a labor disputes commission will be able to extend the time limit for examining an application not by one month, but by up to two.

Second, decisions of labor disputes commissions that have become final will be published in anonymized form on the website of the State Labor Inspectorate.

Third, stricter requirements for commission members: higher requirements of education, work experience and impeccable reputation will be introduced for commission members. In addition, the examination of disputes over civil servants' employment relations is regulated more precisely.



Monika Sipavičiūtė, Senior Manager
monika.sipaviciute@widen.legal
Akvilė Stoškutė – Bendorienė, Senior Associate
akvile.bendoriene@widen.legal
WIDEN Legal
Collaborating firm of Andersen Global

Moldova





LAW
Moldova plans new pay transparency requirements

Moldova is set to further strengthen its pay transparency framework. A draft law currently under consideration is expected to apply from 1 January 2027 and aims to reinforce the principle of equal pay for equal work or work of equal value.

The proposed amendments would require employers to go beyond defining criteria for job evaluation and classification and establish transparent criteria for salary progression. While employers would retain flexibility to design job evaluation systems tailored to their business, employee representatives would need to be consulted where applicable. A methodology to be developed by the Ministry of Labor would provide additional guidance.

Remuneration systems would also need to clearly define employee categories and salary ranges, as well as additional and variable remuneration components, including the grounds and procedures for granting such payments. Salary progression would also need to be addressed, subject to an exemption for smaller employers.

Importantly, these elements would need to be formalized in binding internal documents and would be relevant when assessing compliance with equal pay requirements.

What should employers consider now? Employers may wish to review their existing job classification, salary structures and pay progression criteria to identify potential gaps and ensure that remuneration practices are transparent, consistent and objectively justified.

The proposed framework signals a shift towards greater accountability in pay practices and provides employers with an opportunity to strengthen their remuneration policies ahead of the new requirements.

Read More



LAW
A New era for personal data protection in Moldova

On 23 August 2026, a new Law on the Protection of Personal Data entered into force, repealing the previous law, substantially transposing Regulation (EU) 2016/679 (“GDPR”) and constituting a major reform affecting companies processing personal data in Moldova or in connection with data subjects located there.

Modeled on the GDPR, the law has extraterritorial reach and may apply to foreign businesses offering goods or services to, or monitoring the behavior of, individuals in Moldova. Depending on the circumstances, such businesses may be required to appoint a local representative.

The new framework strengthens controllers’ accountability obligations, including requirements relating to records of processing activities, data protection impact assessments, technical and organizational

measures, DPOs, the allocation of responsibilities between controllers and processors, and data breach notification procedures. It also introduces GDPR-aligned rules for international data transfers.

Non-compliance may result in significant fines, including up to MDL 1,000,000 (approx. EUR 50,000) or 1% of worldwide annual turnover and, for more serious infringements, up to MDL 2,000,000 (approx. EUR 100,000) or 2% of worldwide annual turnover, whichever is higher.

Companies should promptly review their data flows, legal bases, privacy notices, DPIAs and LIAs, data processing agreements, international transfer arrangements and incident-response procedures, while ensuring relevant staff are appropriately trained.

Read More



Iulia Furtuna, Partner
Iulia.Furtuna@TurcanLaw.md
Mariana Stratan, Partner
Mariana.Stratan@TurcanLaw.md
Turcan Cazac in Moldova
Collaborating firm of Andersen Global



Poland



The first labor inspectorate interpretations signal a strict approach to distinguishing genuine self-employment from employment relationships.

LAW
Chief Labor Inspector issues first interpretations on civil-law contracts

The first interpretations issued by the Chief Labor Inspector (GIP) under the new rules are, for the most part, unfavorable to the applicants. The interpretations concern the use of civil-law contracts instead of employment contracts and provide guidance on whether a particular working arrangement may be treated as genuine self-employment or should instead be classified as an employment relationship.

The key points the inspectorate focuses on are, above all, a strict approach to subordination to the hiring entity, to the freedom to organize and schedule one's own work, and to the personal nature of performing the work. While each interpretation applies only to the individual applicant's situation, they nonetheless signal the direction the National Labor Inspectorate (PIP) is heading in.

GUIDELINES
New self-audit checklist for civil-law contracts

The Chief Labor Inspector has released a new 30-item checklist intended to help employers assess whether a civil-law contract should be replaced with an employment contract. The checklist is ambiguous and gives no indication of how much weight to assign to each hallmark of an employment relationship.

As a result, it may flag potential risks, but it does not give the employer a clear answer as to the correct form of engagement. With the National Labor Inspectorate's new powers now in force, this question takes on particular significance. How a contract is classified still depends first and foremost on how the work is actually performed, not on the outcome of a form.

LAW
President refers higher labor inspectorate fines to the Constitutional Tribunal

Under the July 2026 amendment to the Labor Code, which gave the National Labor Inspectorate (PIP) broader oversight powers over employers, fines for violations may now range from PLN 2,000 to PLN 60,000. The inspectorate is expected to focus above all on penalizing employers who enter into a civil-law contract in situations that call for an employment contract.

This is one more mechanism aimed at reducing the number of civil-law contracts that contain the elements of an employment relationship. For now, the President has referred the provisions setting the amount of the fines to the Constitutional Tribunal for review.

A Polish court has confirmed that an accident on the employer's premises may qualify as a workplace accident even before the employee reaches their workstation.



COURT

An accident on the stairs outside the production hall is a workplace accident

An employee was injured on the stairs leading to the production hall, where his workstation is located and where he clocks in. The incident was initially classified as an accident on the way to work. The employee appealed for that classification in order to claim the full amount of the rehabilitation benefit.

The labor court in Rybnik ruled in his favor. It held that the concept of performing ordinary duties — which establishes the connection between the incident and the employee's work — also covers activities such as walking to one's workstation and steps taken in preparation for production work. In the court's view, any incident occurring on the employer's premises, which are under the employer's control, qualifies as a workplace accident, provided the insured person was on those premises for the purpose of performing work.

Judgment of the District Court in Rybnik of May 21, 2026, case no. V U 108/26.



Katarzyna de Rosset, Senior Associate
katarzyna.derosset@pl.Andersen.com
Andersen in Poland
Member firm of Andersen Global

Portugal



Portugal's Supreme Court has confirmed that platform riders may qualify as employees where the platform exercises control through its app and algorithms.

COURT

Delivery riders may qualify as employees

Portugal's Supreme Court of Justice handed down a significant ruling on the employment status of platform delivery riders. The Court found that an Uber Eats rider was not a self-employed contractor but an employee entitled to labor protections under Portuguese law.

The case was brought by the Public Prosecutor's Office, seeking recognition of an employment contract between Uber Eats Portugal and a rider who had been registered on the platform and delivering since October 2022. The Prosecutor asked the Court to recognize the contract with effect from May 2023, the date Article 12-A of the Labor Code entered into force. The first-instance court ruled in the rider's favor, but the Lisbon Court of Appeal overturned that decision. The Supreme Court then reversed the appeal court's decision, siding with the Prosecutor.

The legal presumption

At the heart of the dispute was Article 12-A of the Portuguese Labor Code, introduced as part of the Decent Work Agenda. This provision creates a legal presumption that anyone working through a digital platform is an employee, rather than an independent contractor, whenever at least two out of six statutory indicators are met.

These indicators include, among others, the platform setting the pay, controlling the activity through electronic means, imposing specific rules on how the service is performed, and owning the essential work tools. The Court considered the app itself and the algorithm allocating delivery requests to be essential work tools.

The Supreme Court's assessment

The Supreme Court found that five of the six indicators were present. Crucially, it also ruled that the presumption applies even to relationships that began before Article 12-A came into force, provided the relevant facts occurred after that date.

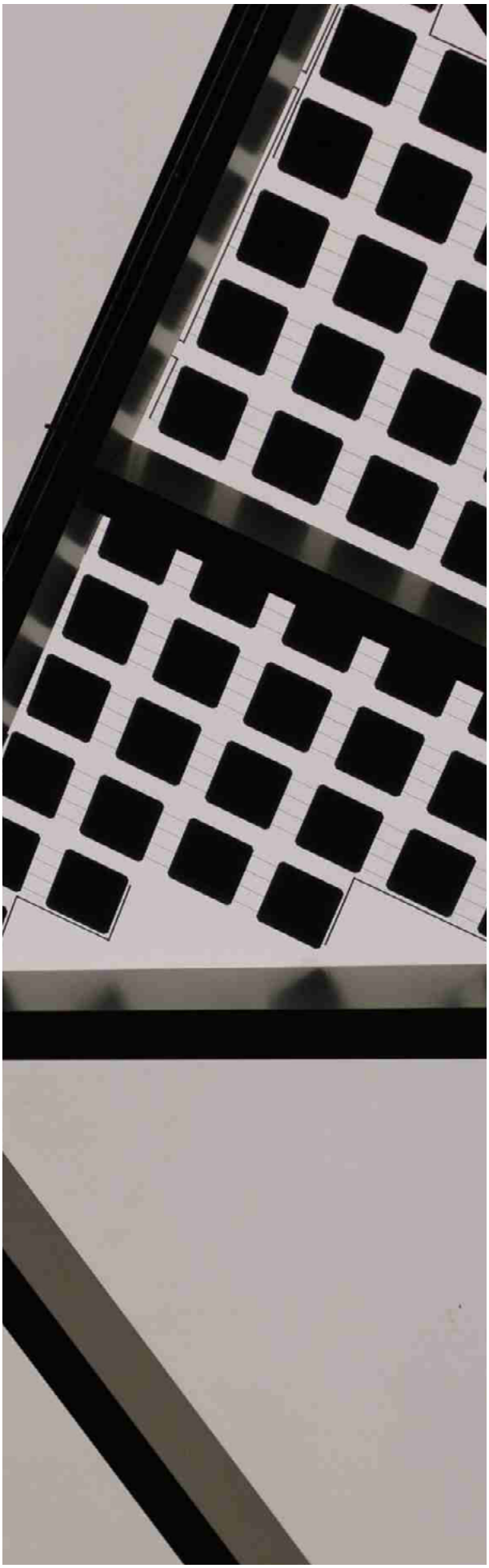
Uber Eats argued that the rider worked independently: he chose his own hours, could decline deliveries, and used his own equipment. The Court rejected this argument. It held that these features are typical of arrangements between riders and digital platforms and that these were precisely the situations the legislature had in mind when it created the presumption.

In practice, the rider's apparent freedom did not negate subordination. His activity depended on being connected to the app, while the platform controlled how orders were assigned, set the payment formula, and could suspend or deactivate his account, effectively exercising disciplinary power.

Implications for platform work

The ruling reflects a broader trend in Portugal and the EU towards addressing so-called "bogus self-employment" in the platform economy. For platform companies, it confirms that contractual labels alone do not determine employment status. The actual conditions under which the work is performed, including the degree of control exercised through the platform and its algorithms, remain decisive.

Supreme Court of Justice, Social Chamber, judgment of May 27, 2026, Case No. 5381/24.8T8SNT.L1.S1





José Mota Soares, Partner
jose.soares@pt.Andersen.com
Beatriz Reis Jacinto, Associate
beatriz.jacinto@pt.Andersen.com
Andersen in Portugal
Member firm of Andersen Global



Slovakia

Slovakia plans new employer obligations to assess and mitigate workplace risks related to heat, cold, and mental and sensory workload.

LAW

New workplace health protection rules proposed in Slovakia

Following the recent amendment to the Act on the Protection, Support and Development of Public Health, two draft implementing decrees have been submitted to the legislative process. They would introduce new employer obligations concerning exposure to heat and cold and mental and sensory workload.

Heat and cold stress

Under the first draft decree, employers would no longer be required to maintain separate operating rules for workplaces exposed to heat or cold stress caused by technological processes. Instead, they would be required to prepare a risk assessment report in cooperation with their occupational health service.

The assessment would cover, among other things, the type of work, workplace conditions, the level and duration of exposure, and the preventive and protective measures required to minimize the effects of heat and cold stress.

Mental and sensory workload

The second draft decree would introduce more detailed rules for assessing mental workload. Employers would be required to assess factors such as work intensity and time pressure, imposed work pace, monotony, social interactions, responsibility, shift and night work, and physical discomfort.

Where increased mental workload is identified, employers would need to carry out a health risk assessment with their occupational health service, prepare a risk assessment report and implement appropriate technical, organizational or other preventive measures.

Where relevant, employers would also be required to assess sensory workload, including visual and auditory demands, and take appropriate measures to reduce identified risks.

Both decrees are expected to enter into force on October 1, 2026.



JUDr. Vladimír Grác, Partner
grac@clscp.sk
CLS Čavojský & Partners
Collaborating firm of Andersen Global

Spain



COURT
Internal disagreement may protect an employee against dismissal

A female employee refused to accept the employer's proposal to work certain hours on Saturdays in order to complete her working day. Six days after the conversation in which the employer attempted to persuade her, she was dismissed on disciplinary grounds, with the company acknowledging that the dismissal was unfair.

The Supreme Court considered the case to be borderline but found sufficient indications of a potential breach of the employee's protection against retaliation. It was not necessary for the employee to have filed a formal complaint, whether written or oral, or to have announced legal proceedings. The conversation reflected a recognizable opposition to the imposition of a new employment obligation, reference was made to a document signed "not in agreement", and there was a close temporal proximity between the disagreement and the dismissal.

The Court clarified, however, that not every expression of discontent, generic protest or ambiguous conversation is protected. The disagreement must have sufficient legal substance and be capable of being understood as the exercise of rights, a claim, a preparatory act of defense or a clear objection to an employer's measure that may be challenged.

As the company failed to put forward an objective and reasonable reason for the dismissal, it failed to rebut the indication of retaliation. The Court dismissed the employer's appeal and upheld the nullity of the dismissal, ordering reinstatement, payment of back wages and EUR 6,251 in compensation for moral damages. The employer's acknowledgment that the dismissal was unfair did not preclude the constitutional analysis or eliminate the risk of the dismissal being declared null.

Supreme Court, Social Chamber, judgment of June 23, 2026, Case No. 562/2026 (Appeal No. 2521/2025)

COURT
Misuse of trade union facility time may justify dismissal

An employee who was a legal representative of employees was dismissed on disciplinary grounds for repeatedly using trade union facility time for activities unrelated to his representative functions. The first-instance court found that he had used the time for private purposes on several days in March and April 2025.

The employee challenged the lawfulness of a report prepared by private investigators, arguing that targeted surveillance was incompatible with the free exercise of his representative functions. The High Court of Justice rejected this argument. The surveillance was limited to six specific days on which facility time had been requested,

did not extend beyond working hours and was aimed solely at verifying whether the absences were genuinely devoted to trade union activities.

The Court emphasized that employee representatives are presumed to use facility time properly and that employers must exercise their supervisory and disciplinary powers restrictively. However, evidence obtained by private investigators is not unlawful merely because the surveillance concerns a trade union representative. Its admissibility depends on whether the surveillance is reasonable, suitable, necessary and proportionate and does not interfere with legitimate representative activity.

In this case, the employee was found to have repeatedly used facility time for various private and family activities. The Court considered this to be a serious and culpable breach of contractual good faith rather than an isolated or incidental misuse.

The Court therefore dismissed the employee's appeal and upheld the disciplinary dismissal. The special protection afforded to employee representatives does not protect the repeated use of trade union facility time for private purposes.

High Court of Justice of Galicia, Social Chamber, judgment of June 18, 2026, No. 2873/2026 (Appeal No. 1031/2026)



Clara Marin Hernandez, Director
clara.marinhernandez@es.Andersen.com
Andersen in Spain
Member firm of Andersen Global



Switzerland



Switzerland will expand parental income compensation benefits from July 2027, providing broader support for parents and caregivers.



LAW
Parental income compensation benefits to be expanded from July 2027

A major reform of the Income Compensation Scheme (Erwerbsersatzordnung, EO) will enter into force on July 1, 2027, strengthening support for parents and bringing parental benefits more closely in line with those available to individuals performing military, civil, or civil protection service.

Under the new rules, parents receiving EO-funded leave will gain access to additional benefits, including business allowances for self-employed individuals and childcare expense allowances. The changes apply to mothers, fathers, mother spouses, adoptive parents, and parents caring for seriously ill children.

Maternity benefits will also be expanded. If either the mother or the newborn remains hospitalized for at least two weeks after birth, compensation will be extended for the actual duration of the hospital stay, removing the current limit on extended benefits.

In addition, the entitlement to leave and compensation for the other parent will continue to apply if a child is stillborn or dies within the first 14 days after birth. The leave period may also be extended when the mother requires prolonged hospitalization following childbirth.

The reform further broadens caregiving benefits, allowing parents to claim compensation when a child is hospitalized for at least four consecutive days, regardless of the severity of the medical condition.

Access to voluntary accident insurance for self-employed workers will expand from 2027, with a lower income threshold and greater flexibility for part-time workers.



LAW
Voluntary accident insurance becomes more accessible for the self-employed

A new reform will make voluntary accident insurance available to a larger number of self-employed workers starting on January 1, 2027.

Under current rules, self-employed individuals can join the accident insurance system only if they earn at least CHF 66,690 per year, equivalent to 45% of the maximum insurable

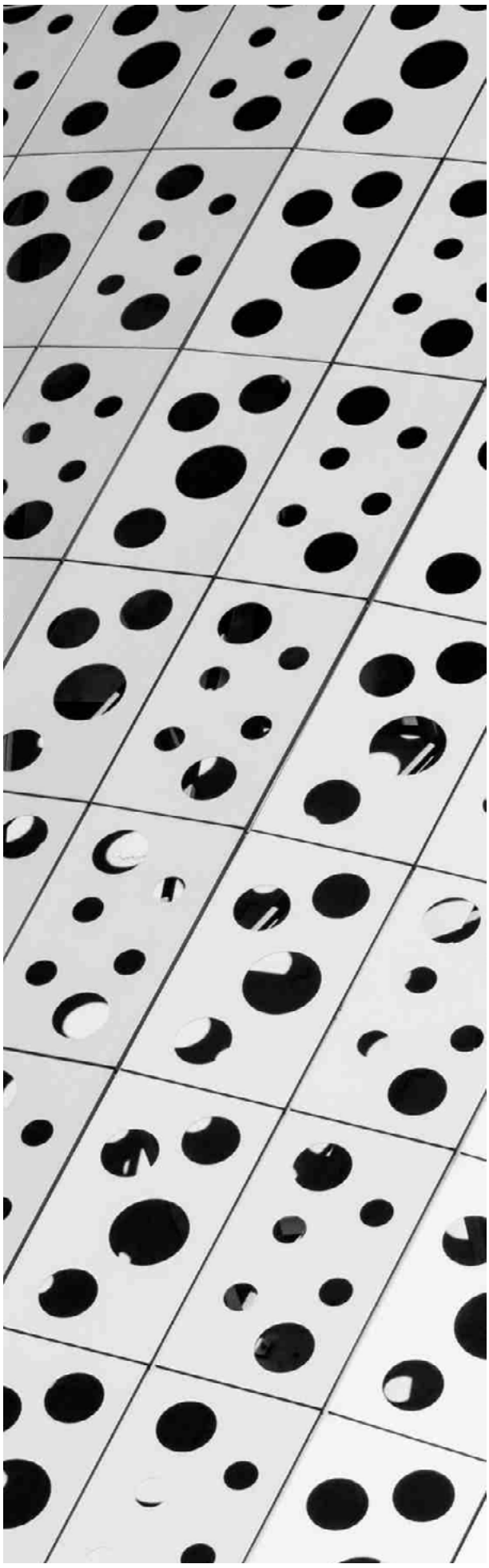
salary. The revised regulation lowers the eligibility threshold to CHF 44,460 annually, corresponding to 30% of the maximum insurable salary. As a result, approximately 40,000 additional self-employed workers are expected to gain access to accident insurance coverage.

The reform also introduces greater flexibility for part-time self-employed individuals. Insurers will be allowed to take the actual workload into account when assessing eligibility, reflecting the fact that many people combine several part-time activities as employees and independent contractors.

The measure is expected to expand access to benefits such as medical treatment, compensation for loss of income, and support in the event of occupational or non-occupational accidents.



Donatella Cicognani, Partner
donatella.cicognani@ch.Andersen.com
Laila Fontana, Manager
Laila.Fontana@ch.Andersen.com
Andersen in Switzerland
Member firm of Andersen Global



Ukraine

LAW

New rules to control compliance with employment quotas for persons with disabilities in Ukraine

The Cabinet of Ministers of Ukraine, by its resolution No. 659 dated 27 May 2026, approved the "Procedure for Controlling Compliance with Quotas of Workplaces for Employment of Persons with Disabilities and Conducting Inspections of Employers Regarding its Implementation". This regulation determines the mechanism for monitoring employers' compliance with the requirements for creating workplaces for persons with disabilities established by the Law of Ukraine "On the Fundamentals of Social Protection of Persons with Disabilities in Ukraine".

The Procedure applies to all employers who are obliged to comply with quotas of workplaces for the employment of persons with disabilities. The State Labor Service is in charge of conducting scheduled and unscheduled inspections at employers' main place of business or at its own premises.

The regulation introduces clear rules for conducting scheduled inspections in accordance with annual plans, prepared based on a risk level of an employer's activities, as well as grounds for unscheduled inspections, including an employer's application, failure to comply with orders to rectify violations of laws, grievances from individuals and information obtained from the Pension Fund of Ukraine. The regulation outlines the procedure for conducting inspections, their timeline, the rights and obligations of the parties involved, as well as the procedure for documenting the results in the form of acts and orders.

A scheduled inspection covers the period from the date of the previous inspection, but no more than the last three years before the date of the inspection. The frequency of scheduled inspections shall depend on the criteria for assessing a risk level of an employer's activities, as determined by the Cabinet of Ministers of Ukraine: employers classified as high risk will be inspected no more than once every two years; employers classified as medium risk - no more than once every three years; employers classified as low risk - no more than once every five years.

The Procedure provides for mandatory notification of employers about scheduled inspections no later than ten days in advance and establishes the maximum timeframe for completing inspections depending on the size of a company. Based on the results of the inspection, an act is drawn up containing a calculation of the employment quotas, the number of employed persons with disabilities and other important indicators. In the event of any violations an order to rectify them is issued.

The resolution entered into force on 2 June 2026, and measures of the state supervision over the compliance with quotas of employment of persons with disabilities are applied as of 1 July 2026.



Iryna Bakina, Counsel
ib@sk.ua
Sayenko Kharenko
Collaborating firm of Andersen Global

This newsletter provides an overview, compiled by the member and collaborating firms of Andersen Global.

Andersen Global was established in 2013 as the international entity surrounding the development of a seamless professional services model providing best in class tax, legal, and valuation services around the world.

The opinions and analyses contained herein are general in nature and provide a high-level overview of the measures that local governments. The information herein does not take into account an individual's or entity's specific circumstances or applicable governing law, which may vary from jurisdiction to jurisdiction and be subject to change at any time. The Member Firms and collaborating firms of Andersen Global have used best efforts to compile this information from reliable sources. However, information and the applicable regulatory environment is evolving at a fast pace as governments respond. Recipients should consult their professional advisors prior to acting on the information set forth herein.

© 2026 Andersen Global. All rights reserved