

Bulgaria

Worker Classifications

Bulgaria uses the term "employee" to describe mainly mental work whereas they use the term "worker" to describe mainly physical work. Employment law treats both groups the same.

Fixed Term Contracts

Fixed-term contracts are permitted in Bulgaria for only specific reasons and must not exceed 3 years. In exceptional cases, a fixed-term contract for a period of less than one year may be concluded for activities that are not temporary, seasonal, or short-term. In such cases, the contract may be renewed with the Worker's agreement one time for a period of at least one year. Failure to comply with the rules on fixed-term contracts will render them indefinite. Those on fixed-term contracts are entitled to the same benefits as those on indefinite contracts. Also, the termination rules for fixed-term contracts are the same as those for indefinite contracts. However, the notice period cannot exceed the remaining period of the contract.

Probationary Periods

Probationary periods are permitted for up to six months. The contract must say who is to benefit from the probationary period otherwise it is presumed that both parties agree to a test period. A probationary period is only permitted one time per Worker for the same work with the same employer. The party whom it is agreed benefits from the probationary period may terminate the employment relationship without notice or justification at any time during the probationary period.

Holidays

Workers in Bulgaria recognize 13 to 15 paid public holidays per year. Any work performed on a public holiday must be compensated at an agreed upon premium of not less than 200%.

Vacation

After four months of service, Workers are entitled to up to 20 days of annual leave per year. Some categories of employees such as minors are entitled to increased vacation. Annual may carry over from year to year. However, it must be used within two years of its accrual otherwise it is forfeited. Accrued but unused leave is payable at termination.

Sick Leave

The medical authorities dictate how many sick days a Worker is entitled to such that it cannot be estimated in advance. Workers must provide a medical certificate in the event of injury or illness or which sick days will be used. During the first three working days of incapacity, the Worker is entitled to 70% of the average gross monthly wages paid by the employer not to be less than 70% of the average agreed upon remuneration. Any absences after that point are compensated by insurance.

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Working Hours

A standard workweek is 8 hours per day, 40 hours per week. Night work must be paid at a premium not less than the amounts determined by the Council of Ministers. Alternative working hours are permitted for minors and others in specific working conditions. Alternative work arrangements such as part-time work, shift work, flexible working time, and open-ended working time are permitted by mutual agreement.

Overtime

Work above the standard workweek is considered overtime. There are no exemptions from overtime whatsoever. Overtime is payable at 150% on weekdays, 175% on weekends, 100% on public holidays. Unless otherwise agreed, the overtime payment is calculated based on the contracted wage. Overtime may not exceed 150 hours in a year. In addition, it may not exceed (i) 30 hours of overtime in the day or 20 hours of overtime at night within one month; (ii) 6 hours of overtime in the day or 4 hours of overtime at night within 1 calendar week, or (iii) 3 hours of overtime in the day or 2 hours of overtime at night within 2 consecutive workdays. Some Workers are prohibited from working overtime altogether.

Mandatory Bonuses

There are no mandatory bonuses in Bulgaria.

Termination

Except in cases of gross misconduct, employment can be unilaterally terminated by an employer with the agreed upon notice of at least 30 days but not less than three months, just cause as defined by the Labour Code, a dismissal procedure, and severance. Severance can vary depending upon the circumstances but may be equal to one to seven month's gross salary. The parties may agree to terminate the agreement prior to the expiration of the notice period "against compensation" for the unobserved notice period. In such cases, one party may propose termination in consideration of compensation. The recipient of the proposal has seven days to respond otherwise it is deemed rejected. If accepted, the Worker is entitled to an agreed amount not less than four times the Worker's gross monthly remuneration as last received. The compensation must be paid within one month or the employment contract is considered not terminated. Employment relationships may be terminated by mutual agreement or with notice and just cause. When by mutual agreement, the recipient of the termination offer must make a decision within seven days otherwise the offer is considered rejected.

Resignation

Except in exceptional circumstances, employees must observe the same notice periods for resignation that employers observe for termination.