

# Strengthening Involvement

**VS-2018-0043**

## **National Legislation on Information and consultation in Bulgaria**

### ***Country Report***

Podkrepa CL  
2 Angel Kanchev str.  
1000 Sofia  
Bulgaria

Sofia, September 2018

STRENGTHENING INVOLVEMENT project (DG Employment-VS/2018/0043). This project has been funded with support from the European Commission. This publication [communication] reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

## TRADE UNION INFORMATION AND CONSULTATION IN BULGARIA

### ➤ **Bulgarian Legislation**

According Art. 41. (1) of Bulgarian Constitution, everyone has the right to seek, receive and disseminate information. The implementation of this right cannot be directed against the rights and reputation of other citizens, as well as national security, public order, public health and morality.

Directive 2002/14/EC has been transposed into Bulgarian legislation through an amendment to the Labor Code, which comes into force on 1 July 2006. The law applies to enterprises with 50 or more employees and in organizational and economic divisions of enterprises with 20 or more employees.

The establishment of a system for information and consultation in the Bulgarian enterprises is done through the election (with a simple majority) of the representatives of the employees of the General Meeting of Representatives. According to the Labor Code, the right to convene the selection of representatives is the employer, the trade unions or 1/10 of the employees.

The General Meeting of the proxies decides whether to elect representatives of the staff, whether to grant the right of the trade union management to appoint these representatives or the elected representatives already under Art. 7 (2) of the Labor Code to perform the information and consultation functions.

### ➤ **Information and consultation in practice**

The process of information and consultation in Bulgarian enterprises is developing too slowly, especially in enterprises without presence of trade unions. No more than 8-10% of all companies with 50 and more employees are covered by these systems. They are more developed in multinational companies, but no more than 1/3 of the existing divisions of companies with representative bodies at company level are elected Bulgarian representatives. The Labor Code in Bulgaria does not provide a procedure to ensure the implementation of the Directive in the enterprises employing less than 50 employees. In such enterprises, its introduction is not provided at all. The Directive does not apply also to civil servants working in the public service.

➤ **Arrangements of information and consultation – Information and Consultation Procedure in Multinationals, Enterprises Groups and European Companies**

In Bulgaria, the issues concerning information and consultation in multinational companies are mainly discussed in the Law on information and consultation of employees in multinational enterprises, groups of enterprises and European companies. Information and consultation are carried out through the European Workers Councils or an Information and Consultation Procedure -

The implementation of the information and consultation procedures is carried out through the European works councils, through the trade unions and the representatives of the employees under Article 7, paragraph 2 of the Labor Code and is settled by an agreement. The law does not set out a strict procedure for reaching an agreement. However, it is clear from the provisions establishing the obligations of the parties that, once the employees' representatives have been chosen in accordance with the established order, they may invite the employer to a meeting to reach the agreement. It is a good idea to specify the type of the proposed agreement, the person to be represented as the representative, the date and venue of the negotiations, and others. There is no obstacle to the employer's initiative to make an agreement.

The most important issues, which should be an object of information and consultation by the workers' representatives, are explicitly and exhaustively specified in the Labor Code, as follows:

- Economic and financial standing
- Structure of enterprises
- Expected development of activities
- Investments and changes
- New methods and processes
- Transformation of enterprises
- Upcoming mass redundancies and layoffs

➤ **Confidentiality**

The employer may refuse to provide information or consultation when the nature of the information or consultation may seriously impair the functioning of the undertaking or the legitimate interests of the employer. /Art. 130c. (5)/

➤ **Sanctions**

In cases where the employer foresees measures that lead to structural changes in the company or to mass redundancies, the order and manner of information and consultation are specified by the employer, the representatives of the trade unions and the representatives of the employees. If the employer refuses to provide information, the representatives of the

employees have the right to request it from him in writing form, and in case of refusal to give them the requested information - to signal the "General Labour Inspectorate" Executive Agency for violation of the labour legislation.

The penalties and sanctions provided from the Labour Code are not particularly dissuasive because the maximum sanction is between 2,500 and 5,000 levs/1,250 and 2,500 EUR/ However, provided in the Labor Code is the possibility for officials to be sanctioned with BGN 1,000 per each case, but there is another option - employees can turn to the Court to look for their rights in terms of information and consultation. The sanctions in the court are sufficiently deterrent

### ➤ **Recommendations**

First, it is necessary to provide practicing the rights of hired workers by ensuring monitoring and control of information and consultation processes in enterprises.

Legislative decisions regarding employees working on information and consultation processes should find their place in the State Servants Act, as the right to information and counseling is a general right, and at the moment it is not used by state employees working on the job legal relationships. There is a clear tendency of increasing awareness of the need for communication and dialogue, of developing and implementing processes and systems of information and consultation, of forming workers' knowledge and skills to exercise these rights. There is also a need for informational and training workshops at company level to explain in detail the procedures, rights and opportunities for creating and integrating a system for information and consultation in Bulgaria.