



sela
south east legal alliance

Employment & Immigration



What we do

Employment & Immigration

SELA - South East Legal Alliance
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Forward



With an aging workforce, millennial expectations and the actualization of career goals, employers have to search for alternative ways to recruit, maintain and develop a qualified human resources talent pool.

Besides demographic implications on the workplace, businesses also need to pay attention to a string of developments in the field of employment and labor law, such as artificial intelligence, the digitalization of the workplace, data protection (especially in light of the European Union's GDPR), working time and cut-backs, whistleblowing as well as global mobility and immigration issues. Other global employment trends triggered by modern employment debates include discussions around equal pay, equal opportunity, discrimination and diversity at work just to name a few. These topics have gained importance with employers and are often a deciding factor on the talent a company is able to attract, their overall appeal as an employer and ultimately on their bottom line.

Prosperous and successful businesses understand the importance of their people and constantly seek to be on top of the latest developments while meeting all relevant regulatory requirements. By taking a client-centric approach, SELA provides pragmatic advice and solutions to clients on more than just general and strategic employment law matters or corporate transactional support. SELA works with HR and legal departments to provide employee training and updates on legislative changes, as well as advising on issues arising in corporate transactions and reorganizations. Our cross-border capabilities are particularly valued by multinational corporations looking to streamline their employment policies across the region and our experts help clients achieve consistency, cost savings and to identify and mitigate potential risks across the region. With team members specializing in highly regulated areas such as tax and financial services, our integrated offering meets our clients evolving needs.

01

Full Range of Service

Human resource matters can be costly if not handled properly. Recruitment, (mass) redundancies, disputes and misuse of personal data can end up being expensive liabilities for any business. In order to prevent this and to provide clients with the best employment law advice, we offer a full range of employment services, including drafting and negotiating employment contracts, recruitment, developing HR policies, cross-border human resources and immigration matters, restructuring, redundancy and employment termination, outsourcing strategies and agreements, collective bargaining agreements, employment and restructuring disputes and general employment relations.

Members of SELA work with clients across all industry sectors, including automotive, financial services, insurance, pharmaceuticals, retail & consumer products and transport and telecom & technology, offering a specific industry expertise paired with a multi-disciplinary approach to capture and to take every relevant angle of a matter into account.

General Employment Advisory

Employment law is a vast field and has multiple subdisciplines. For enterprises it is necessary and advisable to have a solid base to build the entire business upon. Therefore, SELA employment specialists not only advise in highly complex matters, but also support clients in their daily employment inquiries, in order to avoid potential pitfalls later on.

Our Services

- Drafting and negotiating employment contracts
- Advice on recruitment and employment terminations
- Assistance in HR strategies and policies
- Advice on suitable and compliant HR systems
- Review of employment agreements and company policies
- Compliance reviews
- Health and Safety measures
- Equal opportunity and diversity matters
- HR related corporate governance

Business Changes & Restructurings

Following business moves such as a merger or (hostile) takeover, collaboration with another company in a joint venture or strategic alliance setting, spin-offs and outsourcing of business units, or restructurings, companies face a great number of tasks and must consider sensitive employment issues. SELA's employment team is perfectly placed to assist on all employment issues caused by business changes and restructurings. Through collaborating with corporate, M&A, taxation on dispute experts from the SELA network, the team provides excellent and encompassing legal advice regarding these sensitive issues.

Our Services

- Due diligence
- Post-merger HR integration
- Tailored business and employee data transfer
- Development of employment termination and headcount reduction programs
- Advice on (mass) redundancies
- Advice on potential employment liabilities
- Support on alternative ways to reduce HR related costs
- Management of trade union relations

Salary, Remuneration & Benefits

Wages and salaries are naturally a very sensitive and disputable topic. In order to avoid staff resentment and to prevent potential legal claims and disputes, it is of utmost importance to be aware of the legal requirements and to comply with the governing law. It is important to meet these requirements while at the same time being able to offer an attractive benefits package, which also benefits the public image of a company as a good and caring employer making it more likely to attract high quality candidates. SELA employment specialists help clients to develop the right approach to remuneration and benefits for their specific economic situation, always taking their strategic goals into account.

Our Services

- Development of suitable salary schemes
- Advice on mandatory payments
- Tailored incentive and benefit programs
- Usage of share plans and stock options
- Advice of pension related matters
- Equal pay

Taxation & Social Contributions

When it comes to employment taxation, businesses need to bear in mind a large set of requirements and regulations imposed by legislators, such as social security, employment tax and health insurance. The specialists from SELA member firms are abreast in terms of what is needed and effectively access potential compliance risks. Together with SELA's taxation experts, our employment team provides profound legal advice when it comes to any employment tax related matter.

Our Services

- Income tax
- Social security contributions
- Taxation of termination payments and bonuses
- Taxation of corporate benefits
- Social benefits implications
- Development of tax strategies to reduce employment tax costs

Labor Relations

Dealing with trade unions and the management of industrial relations can be crucial to the success of a company. The maintenance of a good and constructive relationship between workers and employers should be a central piece in the HR strategy in order to prevent strikes and other bargaining chips. SELA experts have longstanding experience in successfully advising clients in labor law matters.

Our Services

- Advice on trade union relations
- Assistance in collective bargaining agreements
- Consultations with groups / committees on labor conditions

Disputes

Employment and labor law related disputes often arise when certain guidelines are not obeyed sometimes leaving employees and/or employers with no other choice than to take legal action. Data breaches, whistleblowing, discrimination or harassment at the workplace, non-compliance of contractual requirements, (mass) redundancies or biased employment or promotional decision are some of the many reasons for potential employment disputes. With the highly-skilled and experienced mediators of SELA, clients can count on sound advice in any dispute related matters. Our lawyers mediate and always try to find an out-of-court solution whenever possible. However, when matters are brought before the competent courts, clients can trust our proven track record in dispute resolution and litigation matters.

Our Services

- Employment Disputes
- Unlawful termination
- Mobbing and discrimination

Immigration & Global Mobility

The face of employment has significantly changed over the last several decades, and global mobility is no longer an exotic concept, but has become a useful and frequently used measure to help businesses develop using already existing manpower by relocating them to wherever a certain skillset is needed to create a competitive advantage. Nevertheless, the cross-border transfer of human resources is bound by several legal and administrative requirements. In order to ensure a successful transition, the immigration and global mobility specialists of the SELA member firms help domestic and international clients to comply with local legislation while taking personal and professional issues into consideration.

Our Services

- Assistance in the acquisition of work and residency permits, including EU blue cards
- Intra-corporate transfers
- Procedural support on immigration
- Tax and double-taxation advice
- Advice on social security matters

Data Protection, Privacy and Compliance

In times of increased regulation for data protection and privacy, employers cannot shy away from their responsibility to protect their employee's sensitive data, health records, financial data, performance and general right of privacy. Also, when it comes to the recruitment of new personnel, it is crucial to remain within the appropriate legal measures. These requirements might sometimes be diametrically opposite to what employers needs in order to advance their business. SELA's employment team assists clients not only in data protection matters, but also advises on the development of internal handbooks, HR rulebooks, and other key documents for guidance in HR data related questions.

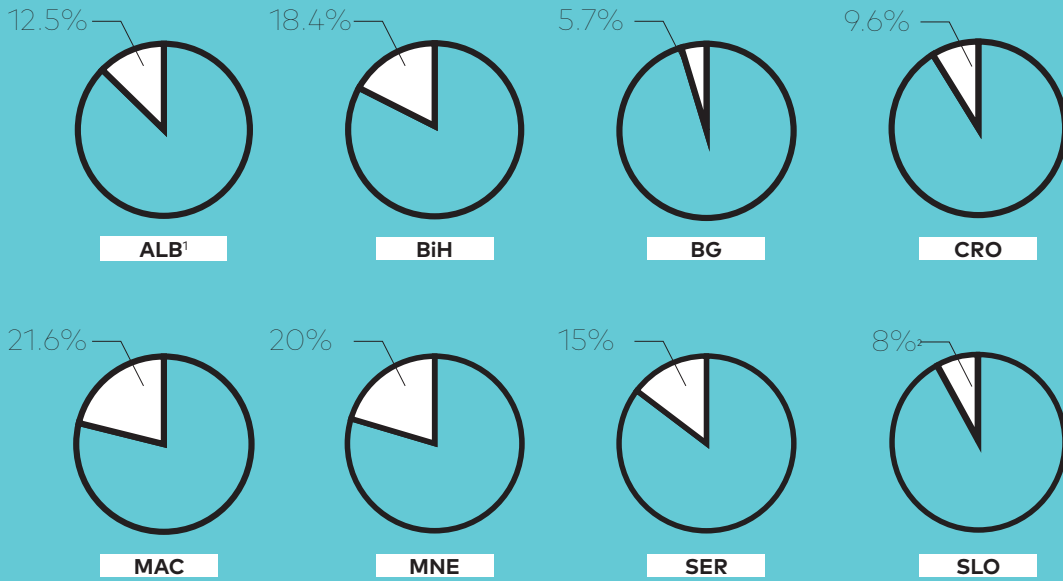
Our Services

- Compliance advice
- Development of HR data protection related documents
- Advice on suitable and compliant HR systems for personal data

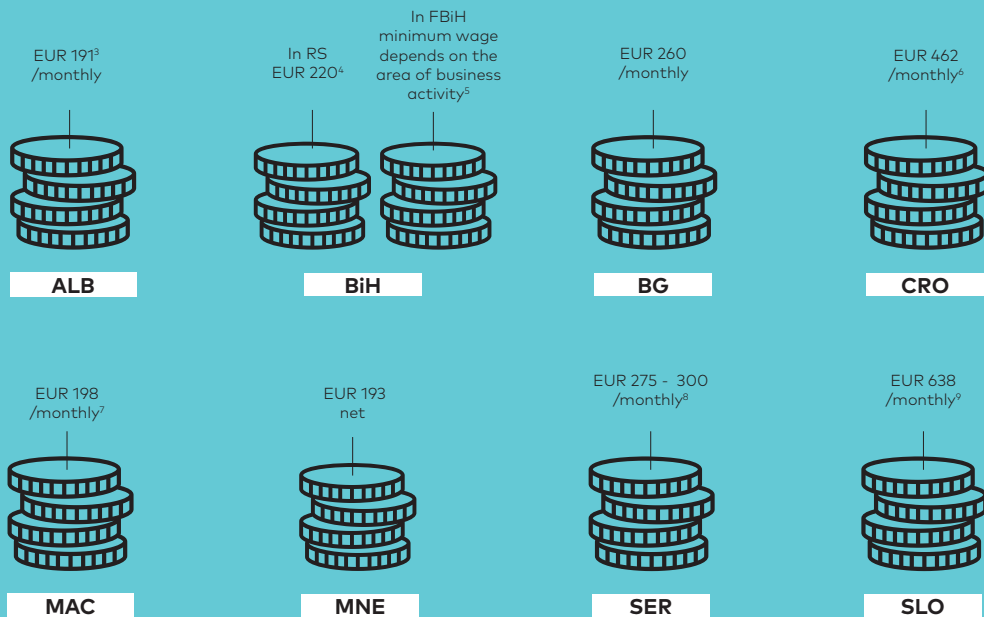
Governing Legislation

Country	Legislation
ALB	Labor Code of the Republic of Albania (Law no.7961, date 17.07.1995, as amended)
BiH	Labor Law ("Official Gazette of Republic of Srpska" Nos. 1/16 and 66/18); Labor Law ("Official Gazette of Federation of Bosnia and Herzegovina" No. 26/16)
BG	Labor Code (State Gazette No. 26/01.04.1986); numerous secondary legislative acts
CRO	Labor Act (Official Gazette No. 93/14, 127/17)
MAC	Law on labor relations Law on minimum wage Law on mandatory social contributions, Law on employment and insurance in case of unemployment, Law on pension and disability insurance, Law on employment and work of foreigners
MNE	Labor Law (Official Gazette of Montenegro Nos. 49/2008, 26/2009, 88/2009, 26/2010, 59/2011, 66/2012, 31/2014, 53/2014 and 4/2018)
SER	The Labor Law (Official Gazette of RS Nos. 24/2005, 61/2005, 54/2009, 32/2013, 75/2014, 13/2017 and 113/2017)
SLO	Employment Relationship Act Minimum Wage Act Social Security Contributions Act Pension and Disability Insurance Act Health Care and Health Insurance Act Parental Protection and Family Benefits Act Labor Market Regulation Act Personal Income Tax Act Tax Procedure Act Employment, Self-employment and Work of Foreigners Act

Unemployment Rate



Minimum Wage



1 Data from the Albanian Institute of Statistics (INSTAT) referring to the first quarter of the year 2018.

2 Registered unemployment rate in July 2018.

3 Approximate net counter value of the initial amount given in local currency of: ALL 24 000.

4 Applicable as of 1 August 2018

5 In FBH, minimum wage depends on the area of business activity. Minimum wage is determined by the general collective bargaining agreement and branch collective bargaining agreements for one or more areas of business activity, e.g.: forestry - 55% of the average salary paid in the Federation of BiH according to the latest published data of the Federal Statistical Office for the previous year for the monthly fund of 176 hours;

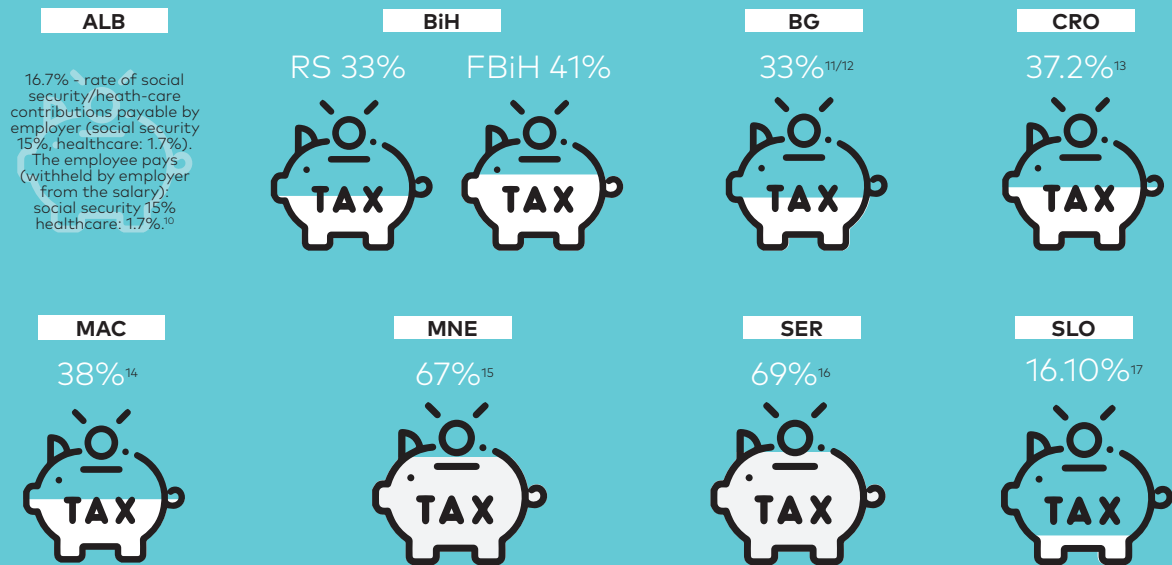
6 Approximate net counter value of the initial amount given in local currency of: HRK 3.439,80

7 Approximate net counter value of the initial amount given in local currency

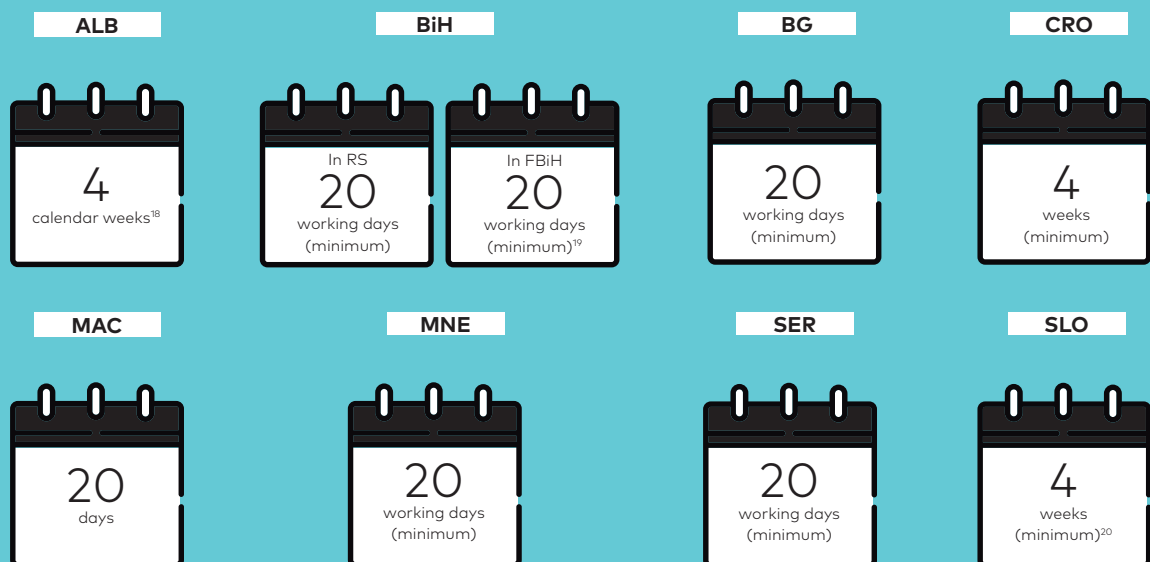
8 EUR 1.22 per hour net

9 Minimum Wage Act stipulates a minimum wage in the gross amount, i.e. 842,79 EUR/monthly

Employer tax contributions



Number of vacation days



10 The employer also withholds personal income tax (PIT) ranging:
- For salaries from ALL0 to 30,000: 0%.
- For salaries from ALL30,001 to 130,000: 13%.
- For salaries above ALL130,001: 23%.

11 60% of which are allocated to the employer

12 Depends on the category of labor

13 Total tax and social contribution

14 An approximate figure of tax on the gross amount (i.e. for a EUR 198 / monthly salary, the monthly tax contribution would be EUR 85)

15 Approximate 67% of net salary (total tax and social contribution).

16 Approximate 69% of net salary (total tax and social contribution), depending on the exact amount of the salary.

17 16,04% for the first two years in case of employment contract for an indefinite period of time (after two years is 16,10%) or 16,34% in

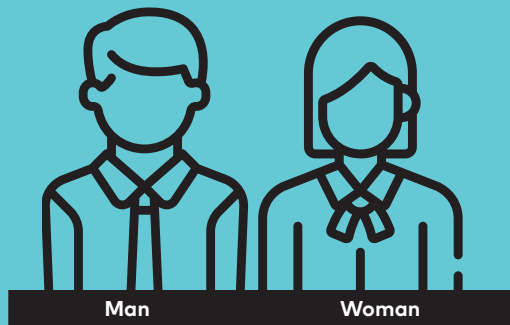
case of a fixed-term employment contract

18 As provided by Article 92, paragraph 2 of the Albanian Labor Code, the annual leave is not less than 4 calendar weeks

19 In FBH minimum is 20 working days and maximum 30 working days.

20 Minimum of 4 weeks (depends on the distribution of working days within a week, i.e. for 5 working days would be minimum of 20 vacation days)

Age of retirement



	Man	Woman
ALB	65y	60y 8m
BiH	65y	65y
BG	63y 10m ²¹ + 38y 2m a social security length	60y 10m ²² + 35y 2m a social security length
CRO	65y + 35y of pension insurance	65y + 35y of pension insurance
MAC	64y ²³	62y
MNE	65y 9m	61y 3m
SER	65y	62y
SLO	60y + 40 years of pension qualifying period 65y + at least 15 years of insurance period	59y 8m + 40 years of pension qualifying period 64y + at least 20 years of pension qualifying period 65y + at least 15 years of insurance period

Maternity leave

ALB	365 calendar days
BiH	1 year
BG	1 year ²⁴
CRO	up to 1 year ²⁵
MAC	9 - 15 months
MNE	365 days
SER	365 days ²⁶
SLO	365 days ²⁷

Employment of foreigners

ALB	Work permit required ²⁸
BiH	Work permit required
BG	Work permit required for non-EU citizens
CRO	Work permit required
MAC	Residence and work permit are required
MNE	Work permit required
SER	Work permit required
SLO	A single permit (a combined residence and work permit) is required for third country citizens (non-EU, EEA or Swiss confederation). A work permit is required for citizens of Bosnia and Herzegovina and for seasonal work in agriculture up to 90 days. No permit is required for EU, EEA, Swiss confederation citizens and for citizens of Croatia (since 1 July 2018).

²¹ All figures are subject to increase until reaching 65 years of age and 40 years of social security terms of service

²² All figures are subject to increase until reaching 65 years of age and 37 years of social security term of service

²³ Upon request age increasing to 67

²⁴ ca. 1 year (410 days for pregnancy and birth, 45 days of which are used prior to the child birth). Additional 1 year until reaching 2 years of age of the child could be used at a minimum compensation from the social benefits system.

²⁵ Subject to prolongations depending on the individual situation (i.e. twins, child with special needs etc.

²⁶ 2 years for third and every subsequent newborn child.

²⁷ a) 105 days of maternity leave (occurs 28 days before the expected date of birth) + b) 260 days of parental leave = Together for the mothers: 365 days
For the fathers: 30 days (necessary to use 15 days of paternity leave before the child's age of 6 months)

²⁸ Exemptions apply for EU member state nationals

03

Our Regional Employment & Immigration Team

Key Contacts

Cross-border transactions and knowledge sharing are the heart of our alliance. To ensure top quality service and a unified approach we have established practice area/industry specific teams spanning across the region. This allows us to deliver commercial and cost-effective advice and to provide a unique service that other legal networks don't offer.



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