



European
Social
Charter

Charte
sociale
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29/12/2025

RAP/ RCha /BGR/22(2026)

EUROPEAN SOCIAL CHARTER

22nd National Report on the implementation of the European
Social Charter

submitted by

THE GOVERNMENT OF BULGARIA

Articles 2, 3, 4, 5, 6, and 20

Report registered by the Secretariat on
29 December 2025

CYCLE 2026

Report Group 1 Republic of Bulgaria

Answers to questions from the European Committee of Social Rights (ECSR, the Committee)

Article 3 – The right to safe and healthy working conditions

Explanatory remark:

The proposed questions which focus on health and safety raise issues identified in the most recent conclusions, notably on Article 3 (right to health and safety at the workplace), or focus on new issues such as risks to health and safety caused by climate change (e.g. having to work in extreme heat or cold). Other proposed questions on Article 3 focus on new issues that were covered by the Committee's Statement of interpretation on Article 3§2 of the Charter in Conclusions 2021, notably the right to digital disconnect.

Furthermore, the questions on Article 3 cover self-employed and vulnerable categories of workers, such as domestic workers, as there were previously many nonconformities on the ground that self-employed and domestic workers were not adequately protected by occupational health and safety regulations. An emphasis has been placed on supervision, as supervision is crucial if the effective implementation of the right to safe and healthy working conditions is to be guaranteed, especially for vulnerable categories of workers (such as domestic workers, digital platform workers, posted workers and workers employed through subcontracting). Workers are more often exposed to environmental-related risks such as climate change and pollution.

Questions:

Article 3§1 Health and safety and the working environment

Please provide information on the content and implementation of national policies on psychosocial or new and emerging risks, including:

- in the gig or platform economy;
- as regards telework;
- in jobs requiring intense attention or high performance;
- in jobs related to stress or traumatic situations at work;
- in jobs affected by climate change risks.

Psychosocial risks in the workplace are identified as one of the main contemporary challenges to safety and health. They are associated with problems in the workplace such as stress, violence, anxiety and harassment. Psychosocial risks involve interacting factors and are difficult to generalize. Preventive measures to limit these risks include: balanced distribution of work tasks, degree of freedom of the worker to influence the overall process, awareness, clear procedures, instructions and responsibilities related to the given powers. Policies on psychosocial risks at organizational level may cover: optimizing staff numbers at peak times; clearly defining functions and responsibilities; establishing a certain degree of judgement in the performance of certain tasks in order to improve autonomy and decision-making; promoting worker participation through meetings, enabling them to contribute through proposals, ideas and opinions.

Actions at the level of interaction between the individual and the organization may cover: improving relationships between colleagues and managers in the workplace; clarifying issues related to the role performed; training to boost employees' self-confidence and self-esteem, and their sense of belonging; a program to reduce stress and improve

practical skills for overcoming it.

Under national law, the employer is obliged to carry out a risk assessment covering all aspects of work, including psychosocial factors. The provision of Article 220 of Regulation No. 7 of 23.09.1999 on the minimum requirements for healthy and safe working conditions at workplaces and when using work equipment provides for an obligation on the employer to control and improve psychosocial factors related to work by implementing preventive programs specific to each type of work to reduce mental tension and stress at work. Also, the Occupational Health and Safety Act (OHSA) regulates that in the case of work with high nervous-mental strain, imposed rhythm, monotony and forced working posture, fixed working hours and shift work, physiological work and rest regimes should be introduced to help preserve the health and working capacity of workers (Article 12(1) of the OHSA). These requirements are applicable to all areas and activities, including those specified in the inquiry.

In addition to the current provisions, specific measures regarding psychosocial or new and emerging risks are also envisaged in the National Programmes on Safety and Health at Work (OSH). As part of its monitoring activities, the labour inspectorate examines employers' compliance with the obligation to assess risks on a regular basis, and psychosocial factors must be examined and assessed, for example by means of talks, interviews, observations or questionnaires. It shall be checked whether there is an action plan in place, which must include all measures to be taken to eliminate or control the risks with specific persons responsible, as well as verification that the measures set out have been duly and effectively implemented.

In addition to the general OSH rules, the changes in the labour legislation in 2024 deserve attention. Important for the prevention of psychosocial risks is the "right to exclusion" established in the Labour Code, i.e. the right of the employee not to respond to employer-initiated communication during the daily and weekly rest periods. In view of the introduction of artificial intelligence and the risks of algorithmic management, the obligation when using an information system for algorithmic remote work management is accepted, the employer to provide the employee with written information on how to make decisions.

National legislation has requirements in place relating to workplaces affected by climate change risks. Ordinance No. RD-07-3 of 18.07.2014 on the minimum requirements for the microclimate in workplaces regulates the rules for outdoor work in relation to extreme weather conditions. According to the ordinance, outdoor work shall be suspended in the event of dangerously low or high temperatures, thunderstorms, heavy rainfall, high winds, and dense fog, as designated by the National Institute of Meteorology and Hydrology as "orange" or "red" if they pose a threat to the life and health of workers and to the safe performance of work activities. There is also an obligation for the employer to carry out a risk assessment and if it is found that there is a risk of sun/heat stroke, hypothermia and frostbite etc. when working outdoors, and to take appropriate measures.

Article 3§2 of the Revised Charter (Article 3§1 of 1961 Charter) Health and safety regulations

a) Please provide information on:

- the measures taken to ensure that employers put in place arrangements to limit or discourage work outside normal working hours (including the right to disconnect);
- how the right not to be penalised or discriminated against for refusing to undertake work outside normal working hours is ensured.

Labour law defines the normal duration of working hours per day (up to 8 hours) and per week (up to 40 hours). The Labour Code establishes this duration as a standard of labour protection. Also regulated is the right of employees to an interday break (12 hours)

and a weekly break, which should be 48 hours on two consecutive days and not less than 36 hours in the case of aggregated working time (i.e. scheduled work).

The right to uninterrupted rest is further guaranteed by the "right of exclusion" regulated in 2024 in Article 154b of the Labour Code (LC), i.e. the employee's right not to respond to employer-initiated communication during interday and weekly rest. Employer-initiated communication may mean, in addition to a telephone call, any other form of communication, including: message via an app, social networks, etc. The provision applies to all employees, whether they work remotely or on the premises of the undertaking.

In view of the fact that in certain occupations it is necessary in certain situations for the employer to have the right to seek communication with the employee, it is regulated that the individual and/or collective agreement may stipulate the conditions under which it is permissible for the employer to seek the employee during established breaks.

It should be borne in mind that according to Bulgarian law, overtime work is possible only in explicitly defined cases that are for work related to: the defence of the country; security and protection of public order, prevention, control and overcoming the consequences of disasters, to carry out urgent socially necessary works on the restoration of water supply, electricity supply, heating, sewerage, transport and communication connections and providing medical assistance; performing emergency-reconstruction works and repairs in work premises, machines or other facilities; completing work begun that cannot be done during regular working hours; and performing hard seasonal work. The duration of overtime work during one calendar year, one calendar month and one calendar week for an employee is peremptorily limited (Article 146, paragraphs 1 and 2 of the Labour Code). According to Article 148 of the Labour Code, the employee has the right to refuse to work overtime when the rules of the Labour Code, another normative act or the collective agreement are not complied with. The employee's refusal cannot result in adverse consequences for the employee.

To ensure compliance with regulatory requirements, it is important to familiarize employees with the work regime. In this regard, the Labour Code regulates the obligation for employers to issue rules on the internal labour order, in which they determine the rights and obligations of employees and the employer under the employment relationship and regulate the organization of labour in the enterprise according to the specifics of its activity (Art. 181 of the Labour Code). The Internal Labour Regulations set out the beginning and end of the working day, the procedure for alternating shifts, breaks, the procedure for recording working hours, the time of mandatory presence in the enterprise when variable working hours are agreed, the feeding time of workers and employees in uninterrupted work processes and in enterprises where work is done continuously, as well as other issues related to the distribution of working hours and the organization of work in the enterprise (Art. 4a of the Ordinance on working hours, breaks and holidays). Pursuant to art. 127, para. 1, item 5 of the Labour Code, the employer is obliged to provide the employee with instructions on the procedure and manner of performing the labour obligations and exercising the labour rights, including familiarization with the rules for the internal labour order, the internal rules for the salary and the rules for health and safety at work. It should be noted that the Internal Labour Regulations are adopted after preliminary consultations with the representatives of the trade unions in the enterprise and with the representatives of the employees.

In addition to the envisaged legislative requirements for compliance with working hours, mechanisms for exercising administrative control and imposing coercive administrative measures and administrative sanctions in case of violations are regulated. With the Labour Code, the control functions are assigned to the Executive Agency "General Labour Inspectorate", which exercises overall control over the compliance with the labour legislation (Art. 399, para. 1 of the Labour Code). Every worker, as well as trade unions,

have the opportunity to alert the supervisory authorities to carry out an inspection of the employer and to issue a prescription for the lawful settlement of labour relations.

Employers are obliged to keep at the disposal of the control authorities in all places where work is performed, a copy of the Internal Labour Regulations and documents related to the distribution of working time and the organization of work: orders for overtime work, for on-call time, for the establishment of part-time work and named work schedules for the period for which aggregated working time is established (Article 403a of the Labour Code).

Bulgarian law establishes various remedies for employees whose employment rights have been violated, including unlawful employer orders or dismissal. In this regard, the labour inspectorate has the right to revoke unlawful orders of the employer, and also, in the event of a labour dispute, any employee may apply to the court for its resolution, as labour dispute cases are free of charge.

Protection in the exercise of the right to work in case of discrimination is carried out under out-of-court proceedings by the Commission for Protection against Discrimination. The Commission for Protection against Discrimination establishes violations under the Law on Protection against Discrimination or other laws governing equality of treatment, orders prevention and cessation of the violation and restoration of the original situation, imposes the prescribed sanctions and applies administrative enforcement measures.

With the adopted in 2023 The Law on the Protection of Persons Reporting or Publicly Disclosing Information on Violations has established a prohibition on retaliation against persons who have reported or publicly disclosed information about a violation, including an employee, civil servant or other person who performs hired work. Pursuant to Article 33 of this Law, any form of retaliation having the character of repression and placing them at a disadvantage, as well as threats or attempts to such actions, including in the form of: 1. suspension, dismissal or application of any other ground for termination of the employment relationship under which a person is employed; 2. demotion or delay in promotion; 3. change in the location or nature of the work, duration of working hours or reduction in remuneration; 4. refusal to provide training to maintain and improve the professional qualifications of the employee; 5. negative performance evaluation, including in a job recommendation; 6. application of financial and/or disciplinary responsibility, including the imposition of disciplinary penalties; 7. coercion, rejection, threats of retaliation or actions, whether physical, verbal or otherwise, that are intended to undermine the dignity of the individual and create a hostile work environment; 8. direct or indirect discrimination, unequal or adverse treatment; 9. Denial of the opportunity to move from a fixed-term employment contract to an indefinite-term employment contract where the employee had a legal right to be offered permanent employment; 10. Early termination of a fixed-term employment contract or refusal to re-enter into a fixed-term employment contract where such is permissible by law, etc. In the event that a person is retaliated against in connection with a report, the competent authorities shall take corrective measures. The corrective measures aim to suspend the response to the inspection carried out by the competent authorities. In the event of a violation of a prohibition under Art. 33 of the Personal Income Tax Act, the person is entitled to compensation for the material and non-material damages suffered. Rights under this law may also be sought by court order.

b) Please provide information on:

- the measures taken to ensure that self-employed workers, teleworkers and domestic workers are protected by occupational health and safety regulations;
- whether temporary workers, interim workers and workers on fixed-term contracts enjoy the same standard of protection under health and safety regulations as workers on contracts with indefinite duration.

The Occupational Health and Safety Act (OHSa) regulates the rights and obligations of the state, employers, employees, employees' occupational safety and health representatives, persons working on their own account or in partnership, and other organizations and legal entities to ensure occupational health and safety. The provision of healthy and safe working conditions is carried out in accordance with the specifics of the activity carried out and the requirements of the technical, technological and social development in order to protect the life, health and work capacity of the working persons (Art. 3, para.1 of the Health and Safety Act). The law applies in all enterprises and places where work activity or training is carried out, regardless of the form of organization, type of ownership and the basis on which the work or training is carried out, insofar as no other law or international treaty to which the Republic of Bulgaria is a party provides otherwise (Art. 2, para. 1 of the Health and Safety at Work Act), i.e. the rules on health and safety at work apply to self-employed persons and domestic workers. According to Article 14, para. 1 of the Occupational Health and Safety Act, legal entities and natural persons who employ workers on their own, legal entities and natural persons who use workers provided to them by an undertaking which provides temporary work, as well as persons who work on their own account or in partnership with others, are obliged to ensure healthy and safe working conditions in all cases related to work, both for the workers and for all other persons who are otherwise present in or near the work premises, sites or places. According to § 1, item 2a of the Additional Regulations of the Law on Health and Safety at Work, "working" is any person who is employed by an employer, as well as a person who works for himself, including trainees or trainees - for the time of training, internship and practice.

With regard to remote workers, given the specificity of the workplace, the Labour Code explicitly provides that workers and employees who perform remote work enjoy the same rights related to the organization of work and health and safety at work, regulated in Bulgarian legislation and in the collective agreements in force in the enterprise, as employees who work on the premises of the employer (art. 107k, para. 1 of the Labour Code). Pursuant to Article 107k(4) of the Labour Code, the employer shall be responsible for the safe and healthy working conditions at the workplace of employees who telework, and shall inform them of the requirements for the organisation of work and for safe and healthy working conditions in accordance with the regulations, the applicable collective agreements, the internal rules of the undertaking, the undertaking's occupational safety and health policy and any requirements and rules for the organisation of work. Changes to the Labour Code in 2024 introduced greater flexibility and security in remote work, including in terms of the organization of health and safety at work. There was an obligation for teleworkers to provide the employer with written information about the characteristics of a workplace for teleworking. The employer is obliged to take measures to ensure that, at the date of commencement or modification of the employment relationship, workplaces for teleworking comply with the minimum requirements for occupational health and safety set out in the Occupational Health and Safety Act and its implementing acts. Control of the proper implementation and compliance with the requirements and standards for health and safety at work is carried out by the General Labour Inspectorate Executive Agency, and employees who perform remote work have the right to request a visit to their workplace with an application to the relevant Labour Inspectorate Directorate. The employer and/or his representative, representatives of trade unions, representatives of employees and control bodies of the Labour Inspectorate have the right of access to the workplace within the framework of what is agreed in the individual and/or collective employment contract upon mandatory prior notification to the worker and employee performing remote work and with his consent. Workers and employees who perform remote work are not allowed to refuse access to the workplace without justification, within the established working hours and/or as agreed in the individual and/or collective employment contract.

Pursuant to Art. 68, para. 2 of the Labour Code, workers and employees under a fixed-term employment contract have the same rights and obligations as workers and employees under an employment contract for an indefinite period of time. They may not be placed at a disadvantage only because of the temporary nature of their employment relationship compared to workers and employees under an employment contract for an indefinite period who perform the same or similar work in the enterprise, unless the law places the use of certain rights depending on the qualification or skills acquired. For these workers, the requirements of art. 2, para. 1, art. 3, para. 1 and art. 14, para. 1 of the OSHA are also in force.

Specific requirements for ensuring the health and safety at work of workers who work on fixed-term employment contracts or through enterprises that provide temporary work are regulated in a special ordinance - Ordinance No. 5 of 20.04.2006 on ensuring the health and safety at work of workers under a fixed-term employment relationship or temporary employment relationship (Ordinance No. 5).

Pursuant to Art. 3 of Ordinance No. 5, employers who employ workers or employees under a fixed-term employment relationship and enterprises users of workers and employees sent by an enterprise providing temporary work are obliged to ensure healthy and safe working conditions and the same degree of protection from the production risks of all workers and employees. When carrying out the activity for ensuring health and safety at work, they are obliged to comply with all requirements of the legislation in the field of health and safety at work.

In particular (art. 4 of Ordinance No. 5) before starting work, employers are obliged to:

1. provide employees with information on:
 - a) the risks to their health and safety and the measures to be taken to eliminate, reduce and control those risks;
 - b) the necessary professional qualification or skills to carry out the work;
 - c) the necessary medical examinations pursuant to Ordinance No. 3 of 1987 on the mandatory preliminary and periodic medical examinations of workers, as well as to provide at their own expense medical supervision of workers and employees under a fixed-term employment relationship or under the conditions of temporary work (Article 5);
2. provide workers and employees with appropriate training or instruction in health and safety at work in accordance with the specifics of each workplace and their qualifications and professional experience.

Enterprises using employees sent by enterprises providing temporary work are obliged (Article 7 of Regulation No. 5) to: determine in advance the type of work and the workplaces for temporary work; inform the enterprise providing temporary work of the specific characteristics of the workplace, the occupational risks and the professional qualifications required. In turn, the enterprise providing the temporary work provides information on these conditions to the employees concerned; and includes them in the employment contract.

Enterprises using employees sent by enterprises providing temporary work, according to Article 8 of Regulation No 5, are responsible for fulfilling their obligations to ensure safe and healthy working conditions.

Compliance with regulatory requirements, including in terms of safety and health at work of remote workers and temporary workers sent to work, is monitored by the Executive Agency "General Labour Inspectorate". For example, in 2024, the Labour Inspectorate found 54 violations of labour law in teleworking and 74 violations in working through temporary employment enterprises. For the first 6 months of 2025, these violations were 14 and 18 respectively.

Article 3§3 of Revised Charter (Article 3§2 of 1961 Charter) Enforcement of health and safety health regulations

Please provide information on measures taken to ensure the supervision of implementation of health and safety regulations concerning vulnerable categories of workers such as:

- domestic workers;
- digital platform workers;
- teleworkers;
- posted workers;
- workers employed through subcontracting;
- the self-employed;
- workers exposed to environmental-related risks such as climate change and pollution.

Comprehensive control of compliance with labour legislation is carried out by the Executive Agency "General Labour Inspectorate" (GLI). The Executive Agency GLI also carries out specialized control over compliance with the Health and Safety at Work Act (OSHA). In this regard, the Executive Agency GLI, within its competence and powers, may exercise control over compliance with the requirements for OSHA in all enterprises and places where labour activity is carried out, including those groups of workers. In order to be able to continuously monitor the OSH system, the legislation provides for the employers themselves to establish the necessary organization for the implementation of the monitoring and control of the implementation of the planned measures to prevent OSH violations (Art. 16, para. 1, item 5 of the OSHA).

Workers and employees who work remotely enjoy the same rights related to the organization of work and health and safety at work, regulated in Bulgarian legislation and in the collective agreements in force in the enterprise, as do workers and employees who work on the premises of the employer.

Pursuant to Art. 107k of the Labour Code (LC), the employee who performs remote work is obliged to provide the employer with written information on the characteristics of the workplace provided by him for performing remote work. For its part, the employer is obliged to take measures to ensure, at the date of occurrence or amendment of the employment relationship, that the workplaces for performing remote work meet the minimum requirements for health and safety at work set out in the Health and Safety at Work Acts and its implementing acts. The employer shall be responsible for the safe and healthy working conditions in the workplace of employees who telework and shall inform them of the requirements for the organisation of work and for safe and healthy working conditions in accordance with regulations, applicable collective agreements, the undertaking's internal rules, the undertaking's occupational safety and health policy and any requirements and rules for the organisation of work and for working with video display. An employee who teleworks is responsible for complying with the company's policy on work organisation and occupational health and safety, as well as prescribed occupational health and safety rules and regulations. He shall immediately notify the employer, immediate supervisor or other authorized person of any accident at the workplace in a prearranged manner.

Pursuant to paragraph 7 of Article 107k of the Labour Code, the control for the proper application and compliance with the requirements and norms for occupational health and safety shall be carried out as follows:

1. workers and employees performing remote work have the right to request a visit to their workplace themselves with an application to the relevant Labour Inspection Directorate;

2. the employer and/or his representative, the representatives of the trade unions, the representatives of the workers and employees under Art. 7, para. 2 of the Labour Code and

the control bodies of the Labour Inspectorate shall have the right of access to the workplace within the framework agreed in the individual and/or collective employment contract upon mandatory prior notification to the worker and the employee performing remote work and with his consent.

Workers and employees who perform remote work are not allowed to refuse access to the workplace without justification, within the established working hours and/or as agreed in the individual and/or collective employment contract (Art. 107k, para.8).

The implementation of effective control over compliance with labour legislation, civil service, labour mobility and labour migration and the protection of labour rights of vulnerable groups of workers is one of the operational objectives of Executive Agency GLI. Supervision of the implementation of health and safety rules relating to vulnerable categories of workers is carried out through the integrated inspection carried out by labour inspectors. Integrated inspection includes control over compliance with the requirements for technical safety, occupational hygiene and health at work, working conditions and labour relations. The results of the control activity of the Agency, including with regard to vulnerable categories of workers, are summarized in the annual reports (performance reports) on the activity of the Executive Agency "General Labour Inspectorate" published on the website.

Article 4 – The right to fair remuneration

Explanatory remark:

The ECSR considers that the inclusion of questions on gender equality are necessary in order to ensure the ECSR's approach to this issue as outlined in the UWE decisions on equal pay is applied across States Parties especially as regards measures taken to ensure pay transparency, to reduce the gender pay gap and to increase the representation of women in decision-making positions.

Questions:

Article 4§3 Right of men and women to equal pay for work of equal value

a) Please indicate whether the notion of equal work and work of equal value is defined in domestic law or case law.

The Labour Code explicitly states that women and men are entitled to equal remuneration for equal or equivalent work, and this applies to all payments under the employment relationship (Art. 243 of the Labour Code). The Protection Against Discrimination Act (PADA) states that the obligation for equal remuneration for equal or equivalent work covers all remuneration paid directly or indirectly, in cash or in kind, regardless of the term of the employment contract and the duration of the working hours.

There is no definition of "equal work" and "work of equal value" in Bulgarian labour law and case law. According to art. 243, para. 1 of the Labour Code (LC), women and men are entitled to equal pay for equal or equivalent work. Pursuant to Article 14, paragraph 3 of the Protection Against Discrimination Act (PADA) the criteria for evaluating work when determining remuneration and assessing work performance are the same for all workers and employees and are determined by collective labor agreements or internal rules on wages or by the statutory conditions and procedures for assessing employees in the state administration, regardless of the characteristics listed in Article 4, para. 1 of the PADA.

The criteria for equality of remuneration are two: 1. For the same work, which should be understood as the work done by different individuals, but with the same quality workforce - qualifications, skills, dexterity, mental and physical abilities, and 2. Equivalent work, which should be understood as work performed by different individuals who have

different qualifications in terms of their workforce profile, belong to different professions and specialties, perform work of a different nature, but whose work has equal value and usefulness. Equivalence is determined by different professional qualifications, the duration of the labour spent, productivity and the conditions under which the work is performed. In this sense is Decision No. 4938 of 12.07.2016 on administrative case No. 12378/2015 of the Administrative Court -Sofia-city.

In the reasoning of Decision No. 9694 of 24.06.2019 on administrative case No. 10531/2017, 5th Dept. of the Supreme Administrative Court, it is assumed that in order to reach the conclusion that workers perform equal/similar work, not only the job description is relevant, which outlines the basic framework of functions, tasks and responsibilities, but also the factual nature of work, working conditions and tasks actually performed. In assessing whether workers perform the same work or work of equal value, the court performs a comparative analysis of the facts and takes into account all factors, including the nature of the work, the establishment schedules, the attestation assessments of the employees for the relevant period, the working conditions, etc., to assume that certain workers can be considered in a comparable situation. It is not necessary for the definition of identical work that there is a complete coincidence of the work performed, skills and other characteristics (ECJ, Wiener Gebietskrankenkasse, judgment of 11 May 1999), it is sufficient that the workers perform comparable work, not necessarily identical, for it to be considered identical work for which they are entitled to equal pay within the meaning of Article 157(1) TFEU (Judgment No 9 of 02 January 2013 in Case No 9135/2012 Admin, VII of the Supreme Administrative Court).

b) Please provide information on the job classification and remuneration systems that reflect the equal pay principle, including in the private sector.

In Bulgaria the National Classification of Occupations and Positions in the Republic of Bulgaria - 2011 has been adopted and is in force, containing information on the main tasks typical for the performance of each position, but it does not contain data on salary levels of employees.

The determination and calculation of the remuneration of the employees under an employment relationship shall be carried out in accordance with the legal requirements and in compliance with the rules established by the Ordinance on the Structure and Organization of the Wage, adopted by the Council of Ministers in implementation of a legal delegation. In the Ordinance on the Structure and Organization of the Wage, the basic salary is defined as remuneration for the performance of the defined work tasks, duties and responsibilities inherent in the respective job or position, in accordance with the accepted standards for quantity and quality of work and the duration of the work performed. When applying separate forms and systems of remuneration, it should correspond to 100% fulfilment of the established labour standards. A collective or individual employment contract may not replace the basic salary or parts thereof with additional or other remuneration and payments. The basic salary is determined on the basis of evaluation and grading of jobs and positions and is negotiated in the employment contract between the parties to the employment relationship. The assessment of the workplace shall take into account: the complexity of the work, the responsibility of the work, the burden of the work and the parameters of the working environment (art. 4 of the Ordinance on the Structure and Organization of the Wage). The basic salary, determined according to the current legislation and the applied system of remuneration, is part of the gross salary, which also includes the additional salaries determined in the Labour Code, in the Ordinance on the Structure and Organization of the Wage, in another statutory instrument or in a collective employment contract and other remunerations determined in a statutory instrument or in

the individual employment contract (Art. 3 of the Ordinance on the Structure and Organization of the Wage). The employer is obliged within the established deadlines to charge and pay the agreed labour remuneration for the work performed, as well as to issue, at the request of the employee, an extract from the payroll for the paid or unpaid labour remuneration and benefits (Art. 128 of the Labour Code).

c) Please provide information on existing measures to bring about measurable progress in reducing the gender pay gap within a reasonable time. Please provide statistical trends on the gender pay gap.

The state policy on equality of women and men in the Republic of Bulgaria is regulated by the Law on Equality of Women and Men (LEWM), promulgated SG issue 33 of 26 April 2016, the purpose of which is to promote the achievement of equality between women and men by creating conditions for the construction of an institutional environment and defining bodies and mechanisms for the implementation of the state policy on equality between women and men.

According to the provisions of the LEWM, the National Strategy for the Promotion of Equality between Women and Men 2021-2030 and the National Action Plans to it have been adopted in Bulgaria.

One of the priority areas of action of the National Strategy for the Promotion of Gender Equality 2021-2030 is to reduce the gender pay and income gap. Specific measures of institutions and organizations are contained in the national action plans implementing the strategy. Some of these are information measures, and some are aimed at raising public awareness of the gender pay gap and the relationship between pay, income and relevant social security rights, including pensions. Others raise awareness of educational and professional opportunities for training and qualification of women and men in various public systems, for example in the defence system, with a view to improving professional realization and career development, which also affects pay and consequently reducing the pay gap. Another group of measures support the creation of a favourable environment to reduce the pay and income gap. These include carrying out checks on citizens' complaints, making recommendations to responsible institutions and organising meetings, expressing opinions on draft laws and other regulations and making recommendations for improving the regulatory environment related to the subject. Work is also being done to improve transparency in the pay of women and men by bringing national legislation in line with Directive (EU) 2023/970 of the EP and of the Council of 10 May 2023 on the strengthening of the application of the principle of equal pay for women and men for equal work or work of equal value through pay transparency and enforcement mechanisms to be transposed by the Member States by 7 June 2026 at the latest. Strengthening the role of collective agreements in reducing gender differences in pay and income is also one of the directions of work. Measures related to equalizing the conditions for retirement for women and men and increasing the adequacy of pensions by updating them annually to reduce poverty among pensioners, which is more pronounced among women pensioners, are taking an important place.

At the same time, the implementation of measures in the other priority areas of the Strategy for the Promotion of Gender Equality also has an impact on reducing the gender pay gap. For example, measures to: increase women's participation in the labour market; more gender-balanced employment by economic activity; overcome gender stereotypes of 'female' and 'male' occupations, including in science, technology, engineering and mathematics (STEM) occupations; vocational guidance and training; attracting women into high-paying professions, for example in digital technologies; promoting women's

professional and career development; reconciling work and private life; conditions for continuous professional development; ensuring a balance between employment flexibility and security for workers in new forms of employment; monitoring compliance with social security entitlements during periods of enforced career breaks; cooperation with social partners and other stakeholders.

For Bulgaria, the wage gap is 13.1% in 2023 and shows an increasing trend from 2021 - 11.4%, 2022 - 12.2% (according to NSI).

The organization of wages in enterprises is regulated in internal wage rules (art. 22, para. 1 of the Ordinance on the Structure and Organization of the Wage), which are approved by the employer and may not contradict the normative acts and the conditions agreed in the collective agreement. When regulating the organization of wages and when setting rules and procedures for determining individual wages, no discriminatory criteria shall be set. The employer is obliged to invite the trade union bodies in the enterprise to participate in the preparation of the draft internal wage regulations.

The internal wage rules must include general provisions on the organization of the salary in the enterprise, determination and distribution of salary funds, determination of minimum values or ranges of basic salaries by job levels, the order and manner of determining and amending additional wages.

Other criteria that are applicable to all employees without regard to indications of discrimination may be included in the internal wage rules:

1. systems and methods for assessing jobs and positions;
2. grouping of positions by job levels and qualification and educational requirements;
3. rules and procedures for determining and amending the basic salaries;
4. rules and procedures for the assessment of work performance;
5. systems of labour remuneration;
6. rules and procedures for determining individual salaries;
7. the procedure for collecting, processing, storing and using information and documents necessary for the calculation of gross and net remuneration;
8. the order and manner of payment of the salary.

The Labour Code establishes an obligation for the employer to familiarize employees with the internal rules on salary (Art. 127, para. 1, item 5 of the Labour Code).

The inspections carried out by the Labour Inspectorate shall verify the fulfilment of the obligation of employers to apply the same criteria for the assessment of all staff, and the terms and conditions for determining and amending the remuneration shall be understandable and transparent, and the criteria applied shall take into account the nature and type of work and shall not contain discriminatory elements, including with regard to the gender of the employees. Given that wages are negotiated individually between employees and employers, there is often a lack of information about the individualized wage system applied by the employer. This creates prerequisites for pay gaps between men and women occupying positions at similar levels. That is why the control bodies of the Labour Inspectorate strictly monitor the necessary mandatory content of the internal rules for the salary in the enterprises and do not contradict the normative acts. It is checked whether the internal wage rules include setting minimum values or ranges of basic salaries by job levels.

Annex 1 - Gender pay gap.

Article 5 – The right to organise

Article 6 – The right to bargain collectively

Explanatory remark:

Questions concerning the long-term decline in unionisation and collective bargaining coverage rates across Europe from a social rights perspective are proposed. While the causes of low trade union density rates are complex, these include deindustrialization and globalization, as well as the presence of large non-unionized segments of the workforce, including many workers who are low paid and/or have a precarious contractual situation. One of the questions under Article 5 seeks to articulate the scope of State Party obligations in arresting that decline, without unduly interfering with trade union freedom. Another question looks at some of the reported ways in which unionisation at the workplace has been undermined, for instance by the promotion of alternative sources of representation that are more prone to being controlled by the employer. The decline in trade unionisation is accompanied in many places by the demotion of joint consultation mechanisms in bipartite and tripartite mechanisms, by diluting the contents of the matters of joint interest addressed or downgrading the status of these exchanges.

The decline in collective bargaining coverage has been uneven, with some countries more affected than others. However, in many cases the decline has been associated with a decentralisation of collective bargaining arrangements and an increase in the discretion afforded to employers in terms of fixing the terms and conditions of the employment relationship. The targeted questions seek to uncover some of the common elements underpinning this process, including, for example, the way in which collective bargaining is articulated across different bargaining levels. They also seek to ascertain what measures are taken by States Parties to arrest and reverse this decline, in line with their duty under Article 6§2 to promote collective bargaining. The questions under Article 6§4 take a closer look at some of the restrictions to the right to strike reported in many States Parties, including the minimum service requirement or the availability of injunctive relief for preventing a strike from taking place.

Questions:

Article 5 Right to organise

a) Please indicate what measures have been taken to encourage or strengthen the positive freedom of association of workers, particularly in sectors which traditionally have a low rate of unionisation or in new sectors (e.g., the gig economy).

The right of association of workers and employees in trade unions and the right of employers of an association to protect their business interests is declared a fundamental right under the Constitution of the Republic of Bulgaria (Art. 49 of the CRB). In addition, the Republic of Bulgaria has ratified and fulfils its obligations under a number of international treaties and Conventions of the International Labour Organization, which govern the right to trade union association.

The detailed arrangements for the functions, activities and status of employees' organizations are contained in the Labour Code (LC). Several separate chapters in the LC regulate specific rights and role of trade unions. The main feature of these organizations is the mechanism for protection of collective rights and interests, and special attention should be paid to the rights and obligations in the conclusion and implementation of collective agreements, which are regulated in Chapter Four of the Labour Code. It should be borne in mind that the formation of a trade union does not require prior permission or approval from an administrative or other structure, and only the will of the employees is important.

State bodies, local self-government bodies and employers create conditions and assist trade unions to carry out their activities. They provide them, free of charge, with movable and immovable property, buildings, premises and other material conditions necessary for the performance of their functions.

For the performance of trade union work, special protection is provided to a member of the trade union leadership in the enterprise, of a territorial, branch or national elective trade union body, during the time he holds the relevant trade union position and up to 6

months after his dismissal (Art. 333, para. 3 of the Labour Code).

In order to carry out trade union activities, part-time members of central, sectoral and territorial management of trade unions, as well as part-time chairmen of trade union management in enterprises, are entitled to paid leave in the amounts established in the collective agreement, but not less than 25 hours per calendar year (159, para. 1 of the Labour Code).

In Bulgaria, collective bargaining is carried out in accordance with the Labour Code at different levels - enterprise, sectoral, branch and municipal. Collective labour agreements by enterprises, branches, sectors and municipalities negotiate more favourable working conditions than those explicitly provided for in the law – e.g. in terms of employment, safety and health at work, monthly salary, social policy, social cooperation, etc. This is an opportunity to regulate labour relations with the direct participation of stakeholders – employers and employees.

Amendments to the Labour Code (SG 107/2020) improve the regulatory framework regarding social dialogue and collective bargaining. The system is applicable to all sectors. The obligation of the state to promote social dialogue and bilateral cooperation between the social partners and the objectives towards which efforts in this area should be directed are explicitly regulated (Article 2a of the Labour Code).

The amendments to the Labour Code of December 2020 also made changes aimed at restoring interest in collective bargaining, respectively to increase and promote the establishment and membership in trade unions. An amendment to Article 57 of the Labour Code regulates the possibility of including a clause in the collective agreement on the affiliation contribution of workers and employees who are not members of the trade union organization party to it. The inclusion of such a clause shall not be contrary to the law or circumvent it, or prejudice good morals, in order to guarantee the equal rights of trade union members and of workers and employees who wish to benefit from the more favourable arrangements without joining the trade union signing the contract. This will stimulate the conclusion of collective agreements by facilitating the negotiation process and the implementation of agreed commitments.

A major factor in terms of collective bargaining is the structure of the economy and macroeconomic development. Like the general trends in all industrial countries, including all EU countries, in Bulgaria micro, small and medium-sized enterprises (SMEs) play a key role in economic development and are a major factor in the labour market. Digitalisation further complicates these processes, making it more difficult for workers to organise and bargain effectively, especially in emerging forms of employment, including increasingly widespread work across digital platforms. Employers' organizations also have difficulty reaching potential new members, mainly among small and medium-sized enterprises.

It should be noted that at this stage, research conducted at the national level, as well as by economic sectors and professions, in connection with the labour market challenges posed by digitalization, demographic and climate change and globalization, shows that, unlike other countries, traditional or standard forms of work are still dominant and preferred among the majority of employers and workers in Bulgaria. However, this does not mean that in the coming years the topic of "new forms of work", which create difficulties for collective bargaining, will not become more and more relevant. In this regard, the government's management program provides for the development of changes to labour legislation next year, which aim to regulate relations related to platform work, job sharing, and worker sharing.

A Plan to Promote Collective Bargaining is expected to be adopted by the end of 2025.

b) Please describe the legal criteria used to determine the recognition of employers' organisations for the purposes of engaging in social dialogue and collective bargaining.

c) Please describe the legal criteria used to determine the recognition and representativeness of

trade unions for the purposes of engaging in social dialogue and collective bargaining.

Under b) and c)

Pursuant to Art. 34 of the Labour Code, an organization that meets the following requirements is recognized as a representative organization of employees at national level:

- 1. to have at least 50,000 members;**
- 2. to have employees' organizations in more than a quarter of the activities defined by a code to the second character of the Classification of Economic Activities, approved by the National Statistical Institute, with members of not less than 5 percent of the employees in each economic activity or at least 50 organizations with not less than 5 members in each economic activity;**
- 3. to have local authorities in more than a quarter of the municipalities in the country and a national governing body;**
- 4. to have the capacity of a legal entity acquired under Art. 49, para. 1 of the Labour Code at least three years before the submission of the request for recognition of representativeness.**

Pursuant to Art. 35, para. 1 of the Labour Code, an organization that meets the following requirements is recognized as a representative organization of employers at the national level:

1. has at least:

a) 1500 members and in total not less than 50,000 employees in all members of the employer organization, or

b) 100,000 contracted employees in all members of the employers' organization;

2. has employers' organizations in more than a quarter of the activities defined by a code to the second character of the Classification of Economic Activities, approved by the National Statistical Institute, with not less than 5 percent of the persons insured under an employment contract in each economic activity or 10 members in each economic activity;

3. has local authorities in more than a quarter of the municipalities in the country and a national governing body;

4. has the capacity of a legal entity acquired under Art. 49, para. 1 at least three years before the submission of the request for recognition of representativeness;

The organizations of employees and employers are recognized at their request as representative at national level by the Council of Ministers for a period of 4 years. The last procedure to recognise workers' and employers' organisations as representative at national level was carried out in 2025, with 2 (two) trade unions and 4 (four) employers' organisations recognised as nationally representative. The Chairman of the National Council for Tripartite Cooperation announced in the State Gazette the start of a procedure for recognition of representativeness 6 months before the expiration of the 4-year period from the previous procedure. Organizations of employees and employers who want to be recognized as representative shall submit their requests within four months from the date of publication of the notice. The following principles shall be respected in establishing the existence of the representativeness criteria: equality in assessing the criteria for representativeness and the existence of a social mandate; transparency of the procedure for establishing the existence of the criteria for representativeness under Art. 34 and 35 of the Labour Code; ensuring the authenticity of the primary information; mutual control in establishing the existence of the criteria for representativeness.

The Council of Ministers shall take a decision within two months of the receipt of a regular request by an interested organization. All branches of an organization recognized as representative at national level are also recognized as representative. The refusal of the Council of Ministers to recognize an organization of employees or employers as representative shall be motivated and communicated to the interested organization within 7

days of its adoption. The interested organization may appeal the refusal to the relevant administrative court under the Administrative Procedure Code (Art. 36 of the Labour Code).

d) Please provide information:

- on the status and prerogatives of minority trade unions;
- on the existence of alternative representation structures at enterprise-level, such as elected worker representatives.

The Labour Code gives workers and employees the right, without prior permission, to freely form trade unions of their choice, to voluntarily enter and leave them, complying only with their statutes. Therefore, in addition to nationally representative organizations, there are other trade unions that are active at the enterprise level or in individual branches or industries.

Labour legislation regulates mechanisms for the participation of employees through representation, other than a trade union organization, in resolving issues related to working conditions and work organization and for the purposes of information and consultation.

In Art. 7, para. 1 and 2 of the Labour Code (LC) it is established that workers and employees participate through representatives elected by the general meeting of workers and employees in the discussion and resolution of issues of the management of the enterprise in the cases provided for by law. Workers and employees may elect their representatives at a general meeting to represent their common interests in matters of employment and social security relations before their employer or before the state authorities. The General Meeting consists of all employees in the enterprise. Where the organization of labour or other reasons do not allow the functioning of a general meeting, a meeting of the proxies may be established on the initiative of employees or the employer. It consists of representatives of the employees elected for a period determined by the general meetings in the structural units of the enterprise. The standard of representation is determined by the employees and is the same for the whole enterprise (Art. 6, para. 1 and 2 of the Labour Code). The General Meeting (the meeting of proxies) in the enterprise shall be convened by the employer, by the management of a trade union organization, as well as at the initiative of one tenth of the employees (proxies) of the enterprise (Art. 6a of LC). The representatives of the employees under Art. 7, para. 1 of the Labour Code shall be elected by a majority of more than two-thirds of the members of the general meeting.

In connection with the obligations of employers to inform and consult workers in enterprises, including in enterprises that provide temporary work, with 50 or more employees, as well as in organizational and economically separate divisions of enterprises with 20 or more employees, the General Assembly of Employees and Employees shall elect from its composition representatives of employees to carry out information and consultation under Art. 130c (in case of change in the activity, economic situation and organization of work of the enterprise) and under 130d (setting deadlines for information and consultation with an agreement) of the Labour Code. The General Meeting of Workers and Employees may provide the functions of workers' and employees' representatives to carry out the information and consultation of representatives designated by the management of trade unions or of workers' and employees' representatives under Art. 7, para. 2 of the Labour Code (Art. 7a of the Labour Code). The number of representatives for informing and consulting workers and employees is determined by the average monthly number of workers and employees over the previous 12 months. It includes all workers and employees who are or have been in an

employment relationship with the employer, regardless of its term and the duration of their working hours, including workers and employees sent by an enterprise that provides temporary work. The number of employees' representatives shall be determined in advance by the general meeting, depending on the size of the enterprise, as defined in art. 7a, para. 4 of the Labour Code. By collective agreement or agreement, the employer and the representatives of the employees under Art. 7a may also negotiate other practical measures for informing and consulting the employees in addition to those specified in the law. In case of refusal to provide information and in case of dispute regarding its validity, the parties may seek assistance in settling the dispute through mediation and/or voluntary arbitration by the National Institute for Reconciliation and Arbitration. In the event that the employer does not provide information within the deadlines specified in the law or by the agreement between the employer and the employees' representatives, the employees' representatives shall have the right to request it in writing from him, and in case of refusal to provide it to them - to alert the Executive Agency "General Labour Inspectorate" for non-compliance with the labour legislation. (art. 130, art. 130c, para. 1, item 4, para. 2 and para. 6, art. 130d, para. 4 of the Labour Code).

The representatives of the employees under Art. 7, para. 2 and Art. 7a shall be elected for a period of one to three years (Art. 7b, para. 1).

The representatives of the employees shall have the right:

1. to be informed by the employer in a way that allows them to assess the possible impact of the measures envisaged by the competent authorities;

2. to require the employer to provide them with the necessary information if this is not done within the specified deadlines;

3. to participate in procedures for consultation with the employer and to express their opinion on the measures envisaged by the competent authorities, which should be taken into account when taking a decision;

4. to require meetings with the employer in cases where it is necessary to inform him of the questions posed by the employees;

5. of access to all jobs in the enterprise or division;

6. to participate in training in connection with the exercise of their functions (Art. 7c, para. 1 of the Labour Code).

The representatives of the employees are obliged to inform the employees about the information received and the results of the consultations and meetings held (Art. 7c, para. 2 of the Labour Code).

It should be pointed out that a number of provisions of the Labour Code related to the organization of work, such as the issuance of rules on the internal work order, which determine the rights and obligations of employees and the employer under the employment relationship and regulate the organization of work in the enterprise, such as the extension of the working hours of employees for production reasons on certain days (Art. 136a of the Labour Code), the introduction of part-time work (Art. 138a of the Labour Code), the establishment of working time with variable limits (139, para. 2 of the Labour Code), the establishment of an irregular working day for certain positions due to the special nature of work (Art. 139a of the Labour Code), an obligation for the employer to conduct preliminary consultations with representatives of trade unions and with

The representatives of the employees themselves determine the order of their work. They may designate one or several persons from their staff who, in the cases specified by the Code, shall conclude an agreement with the employer.

Article 6§1 Joint consultation

a) Please state what measures are taken by the Government to promote joint consultation.

b) Please describe what issues of mutual interest have been the subject of joint consultation during

the past five years, what agreements have been adopted as a result of such discussions and how these agreements have been implemented.

c) Please state if there has been any joint consultation on matters related to (i) the digital transition, or (ii) the green transition.

The state regulates labour relations and matters directly related to them, social security relations, and issues concerning the standard of living in cooperation and consultation with representative organisations of workers and employees and employers. It is expressly provided for the possibility to conclude agreements between the representative organizations of employees and employers for the adoption of regulations on the mentioned issues when: the agreement was concluded at their request at the discretion of the state or the state has proposed the conclusion of the agreement (Art.3, para. 3 of the Labour Code).

With amendments to the Labour Code (LC) from 2020. (SG 107/2020) the regulatory framework regarding social dialogue and collective bargaining is being improved. The system is applicable to all sectors. Article 2a of the LC expressly regulates the state's obligation to promote social dialogue and bilateral cooperation between social partners and the objectives towards which efforts in this area should be directed. In this regard, representative organizations of employees and employers at national level make efforts to develop social dialogue and cooperation that contribute to: strengthening mutual trust; mutual respect for interests; promotion of collective bargaining; raising awareness of employees; motivation of employees to actively participate in the work process; development and promotion of corporate social responsibility.

It should be emphasized that cooperation and consultation of labor and directly related relations, social security relations, as well as issues of living standards must be carried out when adopting regulations on the relations of these issues. Therefore, all changes in labour and social security legislation are adopted after consultation and consensus with representative trade unions and employers' organizations. In the last 5 years, no bilateral agreements have been concluded under Art. 3, para. 3 of the Labour Code, but a number of changes in the regulatory framework have been adopted. In addition to the above amendments related to the promotion of social dialogue and collective bargaining, amendments related to:

- increasing the awareness of employees about their labor and social security rights, promoting the security and predictability of the employment relationship, while maintaining its flexibility; promoting the balanced participation of parents in the care of a child up to the age of 8 and the work-life balance of employees with family obligations (prom. SG 62/2022);

- remote work and protection of workers in chains of subcontractors-greater flexibility has been ensured when working remotely, including with regard to the organization of healthy and safe working conditions, the reporting of work done and the control of working hours through the use of information systems by the employer; equality has been ensured in guaranteeing wages between workers and employees posted within the framework of the provision of services and workers and employees whose employment relationship is governed by Bulgarian labour law; for all workers and employees the right to "exclusion" (refusal to respond to the employer during a holiday) has been regulated (promulgated SG No 27 of 2024);

- building a register of employment, which contains the unified electronic labor records of employees and civil servants, containing data and circumstances related to their labour activity (prom. SG 85/2023);

- determining the format and procedure for storing data in the employment register, the procedure and terms for entering, deleting and certifying circumstances, conditions for access to data, the procedure and rights of the Executive Director of the NRA to access data in other registers in connection with the keeping of the employment register, as well as the

procedure for access to data in the single electronic employment record and the procedure for providing information from the employment register (the Ordinance on entry in the employment register, adopted by Decree No. 267 of 29.07.2024, promulgated in the State Gazette No. 65 of 2.08.2024).

- updating of pensions under Art. 100 of the Social Security Code (SSC), the so-called "Swiss rule"; recalculation of pensions and the increase of the percentage for each year of insurance period in the pension formula for both newly granted and already granted pensions, annual determination of the minimum amounts of pensions for insurance period and age; regulation of the phase of payment of pensions from the supplementary mandatory pension insurance, the so-called "second pillar".

- the introduction of a right to a new type of cash benefit for raising a child up to the age of 8 of the father (adoptive parent).

In connection with the transposition into national law of Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union, an active social dialogue has been held in recent years with regular meetings and discussion of possible mechanisms regarding the setting of minimum wages in the country.

More information on adopted decisions of the National Council for Tripartite Cooperation (NCTC) in recent years can be found on the NCTC website: <https://beta.strategy.bg/bg/advisory-boards/13/view/7733/section>

Article 6§2 Collective bargaining

a) Please provide information on how collective bargaining is coordinated between and across different bargaining levels including information on:

- the operation of factors such as erga omnes clauses and other mechanisms for the extension of collective agreements;
- the operation of the favourability principle and the extent to which local/workplace agreements may derogate from legislation or collective agreements agreed at a higher level.

The Labour Code/LC/ (Chapter Four) regulates the rights and obligations of the parties in conducting collective bargaining for the purpose of concluding a collective agreement.

In Bulgaria, collective bargaining takes place at different levels – at the level of the enterprise, the branch, the branch and the municipalities. It is expressly stipulated that collective labour agreements (CLAs) may not contain clauses that are more unfavourable to workers and employees than those established by law or in a collective labor agreement to which the employer is bound (Article 50 of the LC) (see Therefore, national legislation does not provide for the possibility of negotiating clauses at the level of an enterprise that are less favourable than those provided for in a collective agreement concluded at the level of a branch, branch or municipality.

Pursuant to Art. 51b, para. 4 of the Labour Code, at the joint request of the parties to the collective agreement concluded at the sectoral or branch level, the Minister of Labour and Social Policy may extend the application of the contract or of its individual clauses to all enterprises in the sector or branch after written consent has been expressed by all employees' and employers' organizations recognized as representative at national level. The collective agreement or its individual clauses extended under this procedure shall have effect towards the employees who work in enterprises covered by the respective industry or branch, regardless of whether their employer is a member of the branch or branch employers' organization party to the contract, or whether they themselves are members of a trade union organization that is a member of a representative trade union organization party to it. In

this way, working conditions are standardized across the entire industry or branch.

b) Please provide information on the obstacles hindering collective bargaining at all levels and in all sectors of the economy (e. g. decentralisation of collective bargaining).

c) Please provide specific details on:

- the measures taken or planned in order address those obstacles;
- the timelines adopted in relation to those measures;
- the outcomes achieved/expected in terms of those measures.

Under b) and c)

The factors relevant for the development of collective bargaining at both European and national level are macroeconomic development, employment trends, the regulatory framework and the institutional framework.

A major challenge for collective bargaining in the country is to increase its scope for employees in small and medium-sized enterprises (SMEs). Micro-enterprises with up to 9 employees, which account for over 93% of all companies in the country, predominate significantly in their numbers. The share of large enterprises with over 250 employees is relatively low (only 770 at the national level), which has its impact on the coverage of collective bargaining. According to the data for the period from 2011 to 2023, the highest share (87.4%) are the negotiations conducted for the conclusion of collective agreements in large enterprises/administrative structures. Therefore, one of the challenges to collective bargaining is the structure of the economy.

A significant challenge for increasing the scope of collective bargaining is also the low activity of bilateral social dialogue at the level of industry and industry (sectoral bargaining). This limits the possibility of extending the scope of collective bargaining to workers in SMEs, especially micro-enterprises. Bulgarian legislation regulates the possibility of extending the application of collective agreements concluded at the level of industry or branch to enterprises and workers who are not members of the organizations party to the contract. A requirement for this to be done is for the parties to the collective agreement to ask the Minister of Labour and Social Policy to issue an order for the extension. It should be noted that this option applies only in one branch in Bulgaria, due to the lack of requests for extension to other branches and sectors by employees' and employers' organizations.

The limited applicability of sectoral and branch contracts is also due to differences in the representativeness of employees' and employers' organizations in different sectors. There is an extremely strong presence of trade unions in the public sector, for example in "Education" and "Health", but a relatively weak presence in the real sector, except for the traditionally well-unionized sector "Industry". The level of contracting in the services sector is very low, although the number of employees in this sector is significant.

Last but not least, it is also a challenge to increase the capacity of the social partners, including providing access to information, good practices and analyses to increase the opportunities for negotiation and conclusion of collective agreements.

In view of the above factors and challenges, in the current 2025, after prolonged consultations with the social partners, a draft law on changes to the Labour Code has been developed, the main goal of which is to promote collective bargaining, which will also increase the coverage of workers who benefit from improved working conditions negotiated by collective agreements. The main focus of the changes is the promotion of collective bargaining at the level of industry and industry, in view of the structure of the economy.

Also, after consultations with the social partners, a Plan for promoting collective bargaining for the period 2026 – 2030 has been developed, which is to be adopted by the Council of Ministers by the end of this year. It sets as a priority increasing the scope of

collective bargaining by 2030 by consolidating the actions of the government and social partners. The plan will include specific measures divided into two categories – legislative and non-legislative, including those aimed at strengthening the capacity of the social partners.

It should be borne in mind that the state respects the autonomy of the social partners, which is why there is no reason for direct participation in the collective bargaining process. In this regard, measures are planned to support and encourage social partners to participate in collective bargaining without taking away their functions.

In addition, from the analyses that the National Institute for Conciliation and Arbitration carries out, the following obstacles can be highlighted that hinder the autonomous efforts of the parties in the process of collective bargaining:

1. At the enterprise level.

The main factor in collective bargaining at the most common level of bargaining in the Republic of Bulgaria is the structure of the economy, respectively of enterprises. In Bulgaria, micro, small and medium-sized enterprises (SMEs) play a key role in economic development and are a major factor on the labour market.

They contribute to 75.7% of total employment and 65.3% of value added in the economy. Importantly, 50% of the country's total exports are made by SMEs, which represent 98% of all exporting companies in Bulgaria. At the same time, as mentioned above, micro-enterprises with up to 9 employees, which account for over 93% of all companies in the country, predominate significantly in their numbers. The share of large enterprises with over 250 employees is relatively low (only 770 at the national level), which has its impact on the coverage of collective bargaining. Due to this structure of economic entities, which determines the objective conditions for trade union association, especially in micro-enterprises and family companies, collective bargaining in them has a limited presence. However, the number of existing collective agreements for small enterprises increased by 3.3% for 2024 compared to 2023, and the persons covered by them increased by 2.3% for the same period. In micro-enterprises, the growth is greater- 9.9% in collective agreements, and 13.8% in employees.

At the same time, in 29% of the top 100 enterprises by revenue for 2024, according to the ranking of the Capital newspaper, there is a collective agreement in force, and among the top 10 this percentage is 40%. In the same ranking of enterprises according to the hired staff, 37% of the first 100 enterprises have a collective agreement in force, and among the top ten – 70%.

In the private sector, collective agreements show a steady downward trend – by 36.7% for 2024, compared to 2011, and in the public sector the decrease for the same period is by 33%. However, it should be noted that foreign enterprises with an existing collective agreement grow by 13.6% for 2024 compared to 2011, with the growth of covered employees being 21.6%.

The main challenge for collective bargaining in the country is to increase its scope for SMEs. The relative share of employees in small enterprises/administrative structures in the economy is the highest - 86.2%, which is one of the reasons for the relatively lower scope of collective bargaining in the country.

The measures included in the draft Plan for Promotion of Collective Bargaining, and with the forthcoming amendments and additions to the Labor Code, are expected to lead at least to a retention of the tendency to reduce the existing collective agreements, as well as their gradual increase over a short period.

2. At Sector/Industry level.

Given the structure of enterprises and the economy of the country, an essential challenge for increasing the scope of collective bargaining is the low activity of bilateral

social dialogue at the level of industry and industry. This limits the possibility of expanding the scope of collective bargaining, insofar as it makes it almost impossible to cover workers in SMEs, especially micro-enterprises, with collective bargaining.

The existing collective agreements at the "sector/industry" level decreased by 1/3 for 2024 compared to 2011, and some of them (relatively few in number) do not meet the requirements of Art. 51b of the Labour Code regarding the activities under the NSI classifier for which they were concluded. The current legislation does not unequivocally regulate the scope of a collective agreement concluded at the sectoral or branch level, which is a prerequisite for low interest in this level of negotiation.

The real increase in the scope of collective bargaining is possible to achieve primarily by activating sectoral collective bargaining. Progress in this regard largely depends on the mutual willingness of trade unions and employers' organizations to increase the number of widespread collective agreements. In this regard, it is possible to revise the provisions in the Labour Code on the conditions for extending a sector/branch collective agreement in order to facilitate and comply with the representation of employers' organizations at the level of the sector/branch.

The limited applicability of sectoral and branch contracts is also due to differences in the representativeness of employees' and employers' organizations in different sectors. There is an extremely strong presence of trade unions in the public sector, for example in Education and Health, but a relatively low presence in some real sector activities related to services. The level of negotiation in this sector is very low, although the number of employees in it is significant.

It is worth noting some additions to the draft Law on Amendment and Supplement to the Labour Code, submitted to the National Assembly, regarding the possibilities for encouraging the conclusion of collective agreements at the sectoral/sectoral level. Included are provisions related to the regulation of an obligation to apply lists of employers and trade unions that are members of the employers' organization and the trade union organization – party to an industry contract, so that it can be clear to which persons the relevant contract applies.

The practice in some of the branch collective agreements, e.g. in the brewing industry, where in addition to three multinational companies there are both national and an increasing number of micro- and family breweries, for negotiating different clauses depending on the specifics of the enterprises in the branch, is envisaged to be regulated in the LC by creating an opportunity to exclude the effect of sector/branch collective agreement or of its individual clauses to certain employers.

3. At the municipal level of negotiation.

The main problem, not infrequently the subject of collective disputes, is the subordination of sector/branch collective agreements, e.g. in the field of culture, health, secondary education, with the possibilities of collective bargaining at the municipal level for activities financed from municipal budgets, but within the scope of the activities delegated by the state.

Despite these existing problems, the number of existing collective agreements concluded in accordance with Art. 51c of the Labour Code at the municipal level under negotiation increased by 20.8% for 2024 compared to 2011, and compared to 2023 – by 9.4%.

d) Please provide information on the measures taken or planned to guarantee the right to collective bargaining of (i) economically dependent (self-employed) persons showing some similar features to workers and (ii) self-employed workers.

As mentioned above, a draft law on changes to the Labour Code has been developed

in the current 2025, the main purpose of which is to promote collective bargaining, which will also increase the coverage of workers who benefit from improved working conditions negotiated by collective agreements. The main focus of the changes is the promotion of collective bargaining at the level of industry and industry, in view of the structure of the economy.

Also, after consultations with the social partners, a Plan for promoting collective bargaining for the period 2026 – 2030 has been developed, which is to be adopted by the Council of Ministers by the end of this year. It sets as a priority increasing the scope of collective bargaining by 2030 by consolidating the actions of the government and social partners.

Article 6§4 Collective action

a) Please indicate:

- the sectors in which the right to strike is prohibited;
- those sectors for which there are restrictions on the right to strike;
- sectors for which there is a requirement of a minimum service to be maintained.

Please give details about the relevant rules concerning the above and their application in practice, including relevant case law.

The Law on the Settlement of Collective Labour Disputes establishes the procedure for settling collective labour disputes between workers and employers on issues of labour and social security relations and living standards. It regulates both procedural issues for the settlement of disputes and substantive rules governing the rights and obligations in the event of a collective labour dispute, including in relation to the right to strike. By Decision No. 14 of 24.09.1996 in constitutional case No. 15 of 1996. The Constitutional Court of the Republic of Bulgaria has ruled that the right to strike is a fundamental right of workers and employees, explicitly recognized by the provision of Article 50 of the Constitution. It is a means of protecting their interests and a constitutional guarantee that Bulgaria will develop as a democratic and social state. The right to strike as a fundamental constitutional right of citizens is inalienable by law or other legal act.

The restriction of the right to strike may be done by law in exceptional cases where, in view of the provision of Art. 57, para. 2 of the Constitution, the cessation of work creates an obvious and immediate danger to the life, security and health of the population.

The workers and the employer are obliged by written agreement to provide conditions for the implementation of activities during the strike, the non-fulfilment or suspension of which may create a danger for:

1. the life and health of citizens in need of urgent or urgent medical care or admitted for hospital treatment;

2. the production, distribution, transmission and supply of gas, electricity and heat, satisfactory utility and transport services to the population and to stop radio and television broadcasting and voice telephone services;

3. causing irreparable damage to public or private property or the natural environment;

4. Public order (art. 14, para. 1 of the Law on the Settlement of Collective Labour Disputes).

The decision to declare a strike in these cases is taken after the possibilities for voluntary settlement of the collective dispute have been exhausted - through direct negotiations, mediation and conciliation or through voluntary labour arbitration between the disputants. The strike cannot completely stop the production and business activity in the

enterprise - one, albeit minimal, part of it continues to be carried out.

The right to strike is subject to legislative restrictions for certain state bodies that exercise power on behalf of the state and ensure its functioning. Pursuant to Art. 16, item 6 of the Law on the Settlement of Collective Labour Disputes, no strike is allowed in the system of the Ministry of Defence, the Ministry of Interior, the judicial, prosecutorial and investigative bodies, the State Intelligence Agency and the National Guard Service.

Article 14 of the Law on the Settlement of Collective Labour Disputes provides that subject to compliance with certain requirements (so-called "minimum activities"), it is possible to hold a strike in all other sectors, including the sectors of "health" and "energy". An obligation is created for the parties to a collective labour dispute to reach an agreement and to provide conditions for the implementation during the strike of activities of significant public interest, and in case of inability to reach an agreement, the so-called mandatory arbitration by the National Institute for Conciliation and Arbitration is provided for to determine the minimum activities.

In order to maintain a minimum service, Art. 51 of the Railway Transport Act (RTA) provides that in the event of taking the actions provided for in Chapter Three of the Law on the Settlement of Collective Labour Disputes, workers and their employers-carriers are obliged to provide satisfactory transport services to the population, but not less than 50 percent of the volume of transport before taking these actions.

An exception to the right to strike is introduced in Art. 47 of the Civil Servants Act (CSA) in respect of senior civil servants under Art. 5, para. 2 of the CSA. Pursuant to Art. 5, para. 2 of the Civil Servants Act, the senior civil servants who occupy the positions of Secretary General, Secretary of a municipality, Director General, Director General and Head of Inspectorate are senior civil servants. In this regard, the restriction of the right to strike in the civil service applies to a very small number of persons who participate in the exercise of public power at the highest level.

b) Please indicate whether it is possible to prohibit a strike by seeking injunctive or other relief from the courts or other competent body (administrative body or arbitration body). If affirmative, please provide information on the scope and number of decisions in the last 12 months.

The Law on the Settlement of Collective Labour Disputes establishes the procedure for settling collective labour disputes between workers and employers on issues of labour and social security relations and living standards. It regulates both procedural issues for the settlement of disputes and substantive rules governing the rights and obligations in the event of a collective labour dispute, including in relation to the right to strike. The main objective of the Law on the Settlement of Collective Labour Disputes is to regulate mechanisms for civilized settlement of collective labour disputes with priority to the search for mutually acceptable solutions. In this regard, the priority in resolving collective labor disputes is the means of their voluntary settlement, including direct negotiations, mediation and labour arbitration. A key role in this process is played by the National Institute for Conciliation and Arbitration, which is a tripartite governance structure.

When no agreement is reached on the collective labour dispute, incl. through mediation and/or voluntary arbitration, or the employer fails to fulfill obligations to them, workers may strike by temporarily suspending the performance of their labour obligations. The workers or their representative are obliged to notify the employer or their representative in writing at least 7 days before the start of the strike, to indicate its duration and the body that will lead the strike (Art. 11 of the Law on the Settlement of Collective Labour Disputes).

During the strike, the Parties shall endeavour to reach a final settlement of the dispute by direct negotiation, mediation or other appropriate means.

Pursuant to Art. 17 of the Law on the Settlement of Collective Labour Disputes, the employer may bring a claim to establish the illegality of a strike announced, initiated or completed. The claim shall be filed with the district court at the registered office or place of residence of the employer. Where employers with their registered offices or domiciles in different judicial districts are a party to the dispute, the action shall be brought, at the option of the employers, before one of the respective district courts. The case shall be heard within seven days at an open hearing under the Civil Procedure Code with the participation of a prosecutor. The Court shall deliver its judgement within three days of the hearing of the case.

The claim under Art. 17, para. 1 of the Law on the Settlement of Collective Labour Disputes shall be filed to establish the illegality of a strike announced, initiated or completed. Depending on which stage of the strike is contested, the subject of the claim is also determined. It can be about establishing the illegality of a declared but not yet started; of a started but not yet finished; of a announced and already ended strike. The subject of the dispute is outlined by the factual claims and the request made to the court by the plaintiff in the statement of claim. When the claim under Art. 17, para. 1 of the Law on the Settlement of Collective Labour Disputes challenges the legality of a announced strike, the change requested by the plaintiff consists in the fact that the strike is not conducted. When the legality of a strike initiated is disputed, the plaintiff requests its cessation (to suspend the work and continue the normal performance of labour obligations). When the claim is for the illegality of a completed strike, the plaintiff requests the removal of the consequences of the legal strike, which is considered to be any strike held until a court ruling on its illegality.

The only known example of case law in recent years in this regard is Decision No. 77 of 15.03.2023 of the Dobrich District Court under civil case No. 719/2022, confirmed by Decision No. 69 of 29.04.2024 of the Varna Court of Appeal under civil case No. 32/2024 on the application from the "Multiprofile Hospital for Active Treatment – Dobrich", which brought claims to establish the illegality of the announced effective strike and the illegality of the announced warning strike. In this case, the court establishes on the claims filed under Art. 17, para. 1 of the Law on the Settlement of Collective Labour Disputes, that the warning strike held in the "Multiprofile Hospital for Active Treatment" is illegal and terminates the proceedings on the claims filed to establish the illegality of an indefinite effective strike announced in the company.

Article 20 – Right to equal opportunities between women and men

Explanatory remark:

See the remark above under Article 4.

Questions:

a) Please provide information on the measures taken to promote greater participation of women in the labour market and to reduce gender segregation (horizontal and vertical). Please provide information/statistical data showing the impact of such measures and the progress achieved in terms of tackling gender segregation and improving women's participation in a wider range of jobs and occupations.

One of the priority areas of the National Strategy for Promotion of Equality 2021-2030 is "Equality of women and men in the labour market and equal degree of economic independence". The national action plans implementing the strategy include measures of institutions and organizations under this priority area, which they implement.

Implementing the right to work and ensuring equal access to employment without discrimination on grounds of sex and other grounds, in line with national legislation, is a key priority. Appropriate mechanisms are put in place to ensure equal participation of women

and men in the labour market and economic life. Employment legislation is being refined to ensure equal access to active policy instruments. To increase employment and improve the quality of the workforce, training and employment programs are implemented, as well as incentives for employers who create jobs and hire unemployed people from vulnerable groups, measures to promote entrepreneurship, vocational training and training to acquire key competences, intermediary services for information and job placement, etc. The latter are also carried out among refugees and migrants. Targeted measures are being implemented to improve the employment of persons with disabilities. Consultancy and information activities are carried out among employees in individual sectors, such as agriculture. Measures to improve work-life balance continue to be implemented, recognizing this as an important factor in improving women's participation in the labour market. In addition to the opportunities to apply flexible working hours and forms of employment, and to involve fathers in childcare, employment is provided to unemployed people by providing care for children ("parents in employment") and work to improve services for children and dependent adults.

The implementation of the various measures leads to improvements, as evidenced by data from the National Statistical Institute (NSI), for example:

In 2024, the employment rate for the population aged 15 and over was 53.2% (59.4% for men and 47.6% for women).

The employment rate for the population aged 15-64 in 2024 was 70.9% (74.1% for men and 67.6% for women), with the employment rate of women increasing annually over the last 4 years (2021 - 64.2%, 2022 - 67.2%, 2023 - 67.4%).

The employment rate for the population aged 20-64 was 76.8% in 2024. For men, the employment rate for this age group is 80.3%. For women, this ratio is 73.1% and increases annually (2021 - 68.9%, 2022 - 72.1%, 2023 - 72.6%).

The employment rate for the 55-64 age group was 69.9% (73.8% for men and 66.2% for women) in 2024.

The employment rate of women (15-64 years of age) with at least one child under 7 years of age increased annually from 2020 and in 2024 was 69.5% (for comparison 2023 - 68.4%, 2022 - 66.5%, 2021 - 63.3%, 2020 - 59.5%).

In 2024, the share of men is 56.0% and of women is 44.0% among the unemployed. The unemployment rate is 4.2% (4.4% for men and 3.9% for women), down by 0.1 percentage points compared to 2023.

The relative share of long-term unemployed among all unemployed is 51.6 percent, and the long-term unemployment rate is 2.1 percent - 2.2 percent for men and 2.1 percent for women, respectively, remains unchanged from the previous year.

The relative share of persons aged 15-24, not in employment and not participating in education and training, decreases annually and in 2024 is 11.4% for women and 9.6% for men.

Annex 2 – Employment by economic activity;

Annex 3 – Employment by occupational category and gender;

Annex 4 – Employment by employment status and gender.

b) Please provide information on:

- measures designed to promote an effective parity in the representation of women and men in decision-making positions in both the public and private sectors;
- the implementation of those measures;
- progress achieved in terms of ensuring effective parity in the representation of women and men in decision-making positions in both the public and private sectors.

The National Strategy for the Promotion of Gender Equality 2021-2030 contains a priority area "Promoting gender equality in decision-making processes". The national action plans implementing the strategy include measures of institutions and organizations under this priority area, which they implement.

The balanced participation of women and men in decision-making processes in all spheres of life is important for better governance because of the diversity and consideration of different perspectives. Systematic and targeted measures are being implemented to improve the balance between women and men in positions of responsibility/leadership and in decision-making in politics, business and society. They are related to increasing education, professional qualification and career growth, the application of transparent and objective selection criteria, informative clarification of the importance of the balanced participation of women and men in managerial positions and to increase sensitivity on the topic, creating conditions through legislative changes, exchange of experience and practices, etc.

The implementation of the various measures in this priority area leads to improvements.

There is a positive trend for an increase in the number/share of women by various indicators over the years, according to NSI data. By employment status, the number of female employers is increasing: 2024 - 43.4 thousand, 2023 - 35.6 thousand, 2022 - 34.1 thousand. In the profession "leaders" class, women are 79 thousand in 2024, 68 thousand in 2023, 64,8 thousand in 2022. The relative share of women aged 30-34 with a university degree is also growing: 2024 - 49.1%, 2023 - 42.7%, 2022 - 39.2%. The relative share of early school leavers tends to decrease 2022 - 11.4%, 2023 - 9.2%, 2024 - 8.2%.

Data on the implementation of national indicators for monitoring and reporting the progress made under Objective 5: Achieving gender equality and empowering all women and girls from the United Nations Sustainable Development Goals, with source NSI or Eurostat, indicate the following: At the end of 2024, the relative share of seats held by women was 21.7% and the relative share of seats held by women in national governments was 38.4%. As of the end of 2023, the relative share of seats held by women on municipal councils was 27.5%; the relative share of women in management positions - the relative share of positions held by women as members of a senior decision-making body (Managers) was 19.3%; the relative share of positions held by women as members of a senior decision-making body (Board Members) was 18.3% and marked an increase compared to the previous year (2022 - 14.8%).

In 2024, legislative changes were developed and adopted by the Council of Ministers to bring national legislation in line with the provisions of Directive (EU) 2022/2381 of the European Parliament and of the Council of 23 November 2022 on improving the gender balance among directors of listed companies and related measures. The bill was submitted to the National Assembly for discussion and adoption.

c) Please provide statistical data on the proportion of women on management boards of the largest publicly listed companies, and on management positions in public institutions.

The share of women is 22.40% of the composition of the management boards/boards of directors of 41 large public companies (with one-tier and two-tier management system), registered on the Bulgarian Stock Exchange, according to data as of 01.11.2023 of the Financial Supervision Commission.

Annexes

- *Annex 1 – Gender pay gap;*
- *Annex 2 – Employment by economic activity;*
- *Annex 3 – Employment by occupational category and gender;*
- *Annex 4 – Employment by employment status and gender.*