

## ***Harmonization of the existing employment contracts and employment rulebooks with the new Labor Law in the Federation of Bosnia and Herzegovina***

A new Labor Law in FBiH was published on 12 August 2015 in the Official Gazette of FBiH no. 62/15 and came into force on 20 August 2015. The Labor Law introduced numerous changes and set deadlines for harmonization of the existing employment contracts and employment rulebooks with the provisions of the new Labor Law.

### ***Deadlines for harmonization with the new Labor Law***

- Employment contracts have to be harmonized by 20 November 2015.
- Employment rulebooks have to be harmonized by 20 February 2016.
- Employers who are harmonizing employment rulebooks are obliged to harmonize employment contracts within three months from the date when the employment rulebook was harmonized i.e. the final deadline for harmonization is 20 May 2016.
- The valid collective agreements have to be harmonized with the new Labor Law by 18 December 2015, otherwise they will be put out of force. Exceptionally, the FBiH Government may prolong validity of the collective agreements for additional 90 days.

### ***Quick reminder of the most significant changes***

#### ***Conclusion of employment contracts***

- Employment contracts have to be concluded in writing
- Maximum duration of fixed-term employment contract is extended from two to three years
- Work may be carried out outside of the employer's premises
- Status of a director: director does not have to be an employee of a company.

#### ***Working hours***

- Different determination of overtime working hours within a week and conditions for redistribution of working hours; limitation of night work performed in shifts.

#### ***Protection of employees***

- Employee's obligation to inform the employer on illness or another circumstance which prevents an employee from performing his/her duties; possibility of referring the employee to a medical check-up to determine the status of their health, and all costs shall be borne by the employer;
- Termination of employment contract is not allowed during pregnancy, maternity leave or exercising other rights arising from pregnancy or maternity;
- Introduction of a right to a paternity leave.

#### ***Breaks and leaves***

- Break during working hours: an employee who works for more than six hours per day shall be entitled to a break during a working day;
- Minimum annual leave is prolonged to 20 working days per year.

***If you need assistance with harmonization of the employment-related documentation with the provisions of the new Labor Law, please feel free to contact PwC Sarajevo.***

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