

Employment Law: Cyprus transposed into national law the EU Directive 2019/1152 on transparent and predictable working conditions

Cyprus transposed into national law the **EU Directive 2019/1152** on transparent and predictable working conditions (“**EU Directive**”). The EU Directive’s aim is to improve and enforce more transparent and predictable employment conditions that will increase flexibility in the labour market. The national legislation that transposes the EU Directive, is called the **Transparent and Predictable Working Conditions Law of 2023 N.25(I)/2023** (the “**Working Conditions Law**”), which is enforceable as from 13 April 2023. The Working Conditions Law introduces new rights for employees and amend specific employers' obligations. Below we will outline the key provisions under this transposition.

The main areas that were affected from the transposition of the EU Directive are the following:

- Imposition of new rules for parallel job
- Probation period
- Imposition of rules for the training of employees
- Imposition of new rules on employers in relation to employees’ responsibilities

Parallel Employment

Another important change in the legal framework is that the employers may not prohibit employees from working with another employer outside the employees’ working hours. In this respect, the employers cannot change their relationship towards their employees should they become aware that they have another employment outside of their working hours.

Provisions that exclude parallel employment of employees are only permitted for certain objective grounds, such as health and safety, protection of business confidentiality, integrity of public service, or the avoidance of conflicts of interest.

Maximum Duration of Probationary Period

Before the EU Directive was transposed into national law, the existing legal framework allowed probationary periods of up to 104 weeks (i.e. 2 years) subject to an agreement in writing between the employer and the employee at the time of commencement of the employment relationship.

In accordance with the Working Conditions Law, the probationary period cannot exceed 6 (six) months, irrespective of any provisions applicable before the commencement of the Working Conditions Law.

It is important to note that the maximum period of 6 (six) months does not apply to individuals holding director and/or managerial position. If the employment agreement is for a specified period, the probationary period shall be proportionate.

Mandatory Training of Employees

In addition, the Working Conditions Law requires employers to provide employees with training for the tasks they are assigned, if required by relevant laws or collective agreements. Training should be provided free of charge to employees. Time spent by employees on compulsory training is counted as working hours and is carried out during working hours where possible.

Minimum Predictability of Work

Employees should be informed in writing of all the working conditions making specific reference to the below key aspects:

- probationary period
- basic rate of pay
- notice period required
- paid hours of work
- training entitlement
- payment for overtime

Protection against adverse treatment and dismissal

The Working Conditions Law prohibits employers from discriminating their employees when they file complaints under the provisions of the new Law. In addition, the new Law prohibits employers from dismissing or taking any steps against their employees who have exercised their rights under the new Law.

In this case, the employee, inter alia, reserves the right to request written notice of dismissal, which must fully justify and explain the reasons for such dismissal. The burden of proof against a lawsuit alleging unfair treatment or dismissal, lies with the employer.

Conclusion

The adoption of the Working Conditions Law in Cyprus introduces a number of new obligations for employers operating in Cyprus. Employers and employees are encouraged to be familiar with the changes introduced by the Working Conditions Law in order to fully understand their rights and obligations. The Working Conditions Law stipulates that employers found to be in violation of the relevant Law may be held liable and fined up to €5,500 in penalties.

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