

#### *Bulgaria Moves Forward with EU Pay Transparency Implementation*

On 19 May 2026, the Ministry of Labour and Social Policy published for public consultation a draft law amending and supplementing the Protection Against Discrimination Act and the Labour Code ("**Draft Law**"), implementing Directive (EU) 2023/970 ("**EU Pay Transparency Directive**").

The proposed amendments aim to reduce the gender pay gap by introducing new obligations for employers regarding pay transparency, recruitment practices, equal pay, and gender pay gap reporting. The new rules impose various obligations the majority of which apply to all employers.

The Commission for Protection Against Discrimination ("**Commission**") will act as the competent authority dealing with pay transparency matters.

#### **Recruitment process**

Under the Draft Law employers are required to:

- Disclose to job applicants the base salary or salary range and fixed additional payments;

- Use gender-neutral job advertisements;
- Refrain from requesting information about job applicants' current or previous pay.

#### **Pay Transparency**

Employees will have the right to request information about the average pay levels within the enterprise, including a gender-based breakdown, for employees performing the same work or work of equal value, either directly or through the trade union organisation or the Commission. Where disclosure could reveal employees' individual remuneration, employers may limit access to pay information by providing it instead to trade unions and/or the Commission.

The information must be provided within two months of the request. If the provided information is inaccurate or incomplete, further clarification must be provided within 14 days.

Employers must also:

- Inform employees about their right to request pay information and the procedure for doing so by 31 January each year;

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10 June 2026



- Provide to employees information on the criteria for determining employment remunerations, pay levels and pay progression. This obligation will also apply to small employers with fewer than 50 employees which will not be exempt from pay transparency obligation.
- Ensure that remuneration systems are based on objective and gender-neutral criteria, such as complexity, responsibility, working conditions, and comparable pay data.

### Pay Confidentiality

Employers will no longer be able to restrict employees from disclosing information about their pay for the purpose of the enforcement of the principle of equal pay.

### Gender Pay Gap Reporting

Reporting obligations to the Commission regarding the gender pay gap apply to employers with at least 100 employees and will be introduced gradually:

- from 7 June 2027 for employers with 150 or more employees;
- from 7 June 2031 for employers with 100 to 149 employees.

Employers with 250 or more employees must report annually. Employers with 100 to 249 employees must report every three years, subject to the phased implementation set out above.

The report must include seven indicators, such as the gender pay gap by categories of workers, covering both basic and additional remuneration.

Employers will be required to justify gender pay gaps of 5% or more within employee categories and, where no objective justification exists, implement corrective measures.

In cases where a gender pay gap of at least 5% exists within a category of workers which is not objectively justified based on the criteria set out above, and is not corrected within six months, the employer is required to conduct a joint pay assessment, in cooperation with workers' representatives and the labour unions, including, inter alia, analysis of workforce



composition, pay gaps, causes of the gaps, corrective measures and their effectiveness.

In view of the proposed changes, employers will have to review their internal policies, employment agreements and remunerations structure to ensure compliance with the forthcoming requirements.

The Draft Law is currently subject to public consultation until 18 June 2026 and further amendments may be introduced.