GMS Flash Aleri

Immigration

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Czech Republic – New Reporting Requirements for Employees Posted to the Czech Republic

The Czech Ministry of Labour and Social Affairs has introduced new rules for notifying the posting of workers in the Czech Republic within the framework of transnational service provision. Effective from 1 July 2024, these rules apply to all employers who post their employees to the Czech Republic.

In this newsletter, we discuss the key change which concerns the updated notification system; also we discuss related changes that will impact administrative processes. The changes reflect the Czech government's push towards digitising administrative processes and advancing its aims to simplify and streamline the notification of postings of workers.

WHY THIS MATTERS

The new system marks a significant shift from previous practices, promising greater efficiency and accuracy in data submission.

The centralised recording of relevant data is expected to help ensure authorities can access necessary information efficiently.

Employers must comply with the new rules to avoid potential sanctions for non-compliance with notification obligations.

Key Change to Notification Procedures

From 1 July 2024, all notifications regarding the commencement of a worker's posting must be made exclusively through the registration portal managed by the State Labour Inspection Office. Notifications submitted through any other means will be deemed invalid and disregarded – this reinforces the importance of adopting the new digital platform¹.

Moreover, the original online and .PDF forms previously used for posting notifications have been permanently retired and are no longer accessible on the MLSA portal.

Changes to Previously-Notified Postings

For postings notified by 30 June 2024, new rules for terminations, extensions, or changes apply from 1 July 2024. Submissions can be made using either of the following methods:

- 1. New Procedure: Using the new registration portal, which requires retrospective notification of the commencement of the posting before any change or termination can be registered.
- 2. Transitional Procedure: In writing, via .PDF, using the previously-existing form and sending it to the relevant Labour Office branch. This method is only available until 31 December 2024.

Employment Documentation Requirements

In addition to the above, employers posting their workers must provide documentation proving the existence of the employment relationship. This crucial requirement mandates that all documents be submitted in Czech or Slovak, or accompanied by an accurate translation into Czech. Employers are responsible for the precision of the translation and are required to upload the documentation during registration through the portal. This requirement eliminates the possibility of sending documents separately, thereby reducing administrative burdens and helping ensure that all the necessary information is submitted in an organised manner.

KPMG INSIGHTS

Employers should prioritise becoming familiar with the new registration portal and making sure that all required documentation is prepared and accurately translated well in advance. This proactive approach can facilitate a seamless transition to the new system, thereby reducing risks of complications and compliance issues.

Furthermore, staying vigilant about updates from the Ministry of Labour and Social Affairs is crucial for maintaining compliance and adapting to any future changes or clarifications in respect of posting of workers to the Czech Republic. Any questions about the new rules and procedures should be addressed with your qualified immigration counsel or a member of the Immigration team with KPMG in the Czech Republic (see the Contacts section).

FOOTNOTE:

1 For further information, see the official website (in English) of the State Labour Inspection Authority (*Státní úřad inspekce práce*): <u>Vysílání zahraničních pracovníků (mpsv.cz</u>).

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Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or one of the following professionals with the KPMG International member firm in the Czech Republic:



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* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

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