



# EMCC

European Monitoring Centre on Change

## Lithuania: Employment protection in relation to business transfers

[Go to list page](#)

Lithuania

Phase:

Management

Type:    Employment protection in relation to business transfers

Last modified: 14 October, 2019

Native name:                      **Darbo kodeksas Nr. XII-2603**

English name:                    **Labour code No XII-2603**

### Article

Labour code (51)

### Description

The labour code provides that a business transfer is not a sufficient cause for terminating an employment relationship. If a business or any part thereof is transferred, employment relationships with the transferee, that is the new employer, continue under the same conditions irrespective of the legal basis for the transfer. It means that the transferee, as the new employer, acquires rights and obligations that exist at the moment of the transfer from the transferor. If the transferee fails to fulfil the mentioned obligations, the transferor bears joint and several liability for fulfilment of employees' rights that arose before the transfer. Joint and several liability applies for one year after the business transfer. The transferee and the transferor may agree on compensation for the transferee regarding transfer of rights and obligations acquired by an employee while working for the transferor: for example, unused leave and outstanding monetary claims.

It is prohibited to change terms of employment or terminate employment contracts as a result of the business transfer. If a valid collective agreement is in place, conditions set therein need to be satisfied for 2 consequent years, unless the agreement expires earlier. The law does not differentiate between fixed-term and permanent employees, meaning that this provision equally applies to both fixed-term and open-ended employment contracts. This allows the labour code to safeguard employment relationships in the event of a business transfer.

The labour code provides as well that the transferor must give advance written notice to an employee about the impending business transfer at least 10 working days in advance, indicating the legal basis for the transfer, the effective date of the transfer, as well as the economic and social consequences for the employee and the measures taken in these regards. If, within five working days of receipt of the notice, an employee does not agree in writing to the continuity of employment relations, the transferor shall terminate the employment contract with the employee on the initiative of the employer without any fault on the part of the employee.

### Comments

No information available.

#### Cost covered by

Not applicable

#### Involved actors other than national government

National government only

#### Thresholds

No, applicable in all circumstances

#### Sources

- [Labour code No XII-2603](#)
- [National labour law profile: Lithuania](#)

Useful? Interesting? Tell us what you think. ▼

Eurofound welcomes feedback and updates on this regulation

Your name \*

E-mail \*

More information?

Homepage

Subject

Comment \*

Save

Preview

European Monitoring Centre on Change - EMCC

[About EMCC](#)

**European Restructuring Monitor**

- › [About the European Restructuring Monitor](#)
- › [Restructuring events database](#)
- › [Restructuring support instruments](#)
- › [Restructuring related legislation](#)
- › [Restructuring case studies](#)
- › [ERM publications](#)

**European Jobs Monitor**

**Labour market research**

**Case studies**

**Future of Manufacturing in Europe (FOME)**

European Observatory on Quality of Life - EurLIFE

## Quick links

- Legal information
- Data protection
- Environmental policy
- Cookies
- Subscriptions
- Multilingualism
- Templates for Eurofound reports
- Eurofound style guide
- Management Board extranet
- Map - how to get to Eurofound
- FAQ
- Sitemap



## Contact us

Eurofound, Wyattville Road, Loughlinstown, Co. Dublin, D18 KP65, Ireland

Phone: (00) 353 1 2043100

E-Mail: [information@eurofound.europa.eu](mailto:information@eurofound.europa.eu)

Press: [media@eurofound.europa.eu](mailto:media@eurofound.europa.eu)



MEMBER OF THE NETWORK OF EU AGENCIES



EUROFOUND ACHIEVES EMAS REGISTRATION



EUROFOUND IS AN AGENCY OF THE EUROPEAN UNION



[Access to internal documents](#) | [Financial information](#) | [Archives](#) | [Information centre](#) | [RSS feeds](#)

© EUROFOUND 2023

