

Legal Shots

Conversion of FCT and Reinforcement of FGCT

Obligations relating to FCT are extinguished and those relating to FGCT are suspended, in principle, until 2026.

On January 1st 2024, the new rules applicable to the labour compensation fund (FCT) and the labour compensation guarantee fund (FGCT) come into force.

Obligations to adhere and make payments to the FCT are abolished. Surplus balances transferred to the FCT return to the FGCT and the amounts deposited in the FCT can be used for employee benefits (housing, certified training, 50% of severance for contracts' termination or other investments agreed with the representative structures). Ongoing administrative and enforcement proceedings and debts owed to FCT are extinguished.

FGCT's obligations are only suspended for the duration of the Medium-Term Agreement signed with the social partners (in principle, until 2026). The FGCT maintains its purpose: to guarantee the payment of 50% of the severance for contracts' termination.

Meet our Team:

