

SUMMARY

ECJ 30 March 2026, Case C-418/24 (Obadal), fixed-term work

TJ - v - Comunidad de Madrid (Spanish case)

Summary

Clause 5 of the Framework Agreement on fixed-term work (Directive 1999/70/EC) precludes national measures under which (i) the conversion of successive fixed-term contracts into an “non-permanent employment relationship of indefinite duration” and (ii) the granting of capped lump-sum compensation do not constitute effective, proportionate, and dissuasive measures to prevent and sanction abuse of successive fixed-term employment contracts in the public sector.

Questions

Must Clause 5 of the Framework Agreement on fixed-term work (annexed to Directive 1999/70/EC) be interpreted as meaning that a national mechanism converting successive fixed-term contracts into a “non-permanent employment relationship of indefinite duration” constitutes an appropriate measure to prevent and, where appropriate, sanction abuse arising from the use of successive fixed-term contracts in the public sector?

Must Clause 5 of the Framework Agreement be interpreted as meaning that national legislation providing for lump-sum compensation, subject to caps (such as a maximum number of salary days per year of service and an overall ceiling), constitutes an effective, proportionate, and dissuasive measure to remedy and penalise such abuse?

Ruling

Clause 5 of the Framework Agreement must be interpreted as meaning that the conversion of successive fixed-term contracts into an “non-permanent employment relationship of

indefinite duration” does not constitute an appropriate measure to prevent and, where applicable, sanction abuse, since the employment relationship remains of a temporary nature and the worker’s precarious situation persists.

Clause 5 of the Framework Agreement must be interpreted as meaning that lump-sum compensation subject to caps (such as limits based on days of salary per year of service and maximum amounts) does not constitute an effective, proportionate, and dissuasive measure where it fails to provide adequate reparation for the harm caused by prolonged abuse and does not sufficiently penalise the infringement, in particular where entitlement depends on termination of the employment relationship and may exclude certain categories of affected workers.

Creator: Hof van Justitie van de Europese Unie

Verdict at: 2026-03-30

ECLI: ECLI:EU:C:2026:291

Case number: C-418/24

Judges: K. Lenaerts, T. von Danwitz, F. Biltgen, K. Jürimäe, M.L. Arastey Sahún, S. Rodin, E. Regan, N. Piçarra, A. Kumin, D. Gratsias, M. Gavalec, Z. Csehi, S. Gervasoni, N. Fenger, and R. Frenedo

Case Law References: 7:668a BW and Richtlijn 1999/70/EG