

COVID 19 in Romania - New support measures in the labour field

Government Emergency Ordinance no. 132/2020 regarding the establishment of certain measures for employees and employers in the context of the epidemiological situation caused by the spread of the coronavirus SARS-CoV-2, and to incentivize the increase of workforce employment (hereinafter referred to as '**GEO 132/2020**') entered into force on 10 August 2020, and brings with it support measures meant for both employees and employers, which are accessible under certain conditions.

1. Reduction of working time through employer's decision

In case of a temporary reduction of activity caused by the declaration of a state of emergency/alert/siege, employers are given the possibility of reducing the working time of their employees by at most 50% of the duration provided under the individual employment agreements. In order to do so, employers must inform, and consult with, the trade union/employees' representatives/employees, as the case may be. Furthermore, the working time must be reduced for a period of at least 5 consecutive working days.

During the period of time for which this measure is applicable, the respective employees benefit from an allowance of 75% of the difference between the gross base salary as provided for in their Employment Agreement and the gross base salary corresponding to the hours of work actually performed following the reduction of the working time, in addition to the salary rights due, calculated based on the actual worked time.

Employers may be able take this measure and request the related allowance if they cumulatively fulfil the following conditions:

- the measure affects at least 10% of the number of employees in the unit, and
- the reduction of the activity is justified by a decrease in the turnover of the month previous to applying the measure or, at most the month before the previous month of at least 10% as compared to the similar month of the previous year.

Furthermore, GEO 132/2020 also provides a set of prohibitions that need to be observed by both employees and employers when the working time is reduced, including the following:

- employers are forbidden from hiring personnel or to subcontract the activities performed by the employees affected by the measure of the reduction of the working time;
- employers are forbidden from initiating collective redundancies;
- employers can't reduce the working time according to the provisions of the Labour Code;
- employees affected by the measure are forbidden from doing overtime for the same employer.

2. Partial reimbursement of salary

As regards employees having individual employment contracts concluded for a fixed term, but no longer than 3 months, employers will be able to receive an amount corresponding to 41.5% of the salary corresponding to the days worked, for a working time of 8 hours/day, but not more than

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41.5% of the average gross income of RON 5,429 (approximately EUR 1,122.69), until 31 December 2020, but no longer than 3 months.

3. Financial aid for teleworking

In order to perform activities under a teleworking regime, employers are granted financial aid of RON 2,500 (approximately EUR 516.99), once, for each teleworker, in order to purchase the necessary technologically-related equipment and services. The above-mentioned amount is granted to employers for their employees that worked under a teleworking regime for at least 15 working days during the state of emergency, if the requests are submitted by 31 December 2020.

4. Applicability of GEO 132/2020

The support measures provided for in GEO 132/2020 are also applicable, under specific conditions, to professionals, members of cooperatives, day labourers and apprentices.

This GEO does not apply to the following categories of employers: (i) public institutions; (ii) employers under bankruptcy, winding-up or liquidation procedures, or whose activities are suspended according to the law; and (iii) employers who are registered in a non-cooperative jurisdiction for fiscal purposes.

For any further information and assistance with respect to the above and any other **COVID-19** related legal matters, please do not hesitate to contact us at covidhelpdesk@peterkapartners.com.