



**Global Employment  
Compass  
Romania**

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# 1. Summary of applicable rights for different categories of workers

	Employees (part-time or full-time)	Independent contractors/ service providers	Volunteers
<b>Employment laws and regulations</b>	Yes	No*	No***
<b>Employees' compensation/remuneration requirements</b>	Yes	No**	No***
<b>Minimum wage requirements</b>	Yes	No**	No since they are not paid
<b>Mandatory provident fund/retirement benefit fund contributions</b>	Yes	No	No since they are not paid
<b>Immigration requirements including the right to work in your country</b>	Yes	Yes	Yes
<b>Personal Data (Privacy) laws and regulations</b>	Yes	Yes	Yes
<b>Anti-discrimination laws and regulations</b>	Yes	No	Yes

\* Assumes a genuine self-employed independent contractor/service provider arrangement and the individual not being deemed to be an employee. The parties are considered as being "provider" and "beneficiary", not "employee" and "employer" and there is no relationship of subordination between them, as in employment law, the provider being considered independent

\*\* Since the independent contractor/service provider is not considered an employee, the contractor's compensation will be in the form of a price for services, for the activity performed in accordance with the agreement concluded in this respect. The price for services is, as a rule, subject to negotiations between the parties, but it has to meet, nevertheless, certain minimum requirements: it must be serious and determined (or determinable)

\*\*\* Assumes a genuinely voluntary arrangement and the individual not being deemed to be an employee and not being paid for the work performed. There is a separate law regarding the volunteers' activity which distinguishes volunteering from work under employment laws, namely Law 78/2014 on the regulation of voluntary activity in Romania. Without prejudice to the above,



health and safety rules are also duly applicable to volunteers, since they also perform an activity under the direction and supervision of a third party.

One of the guiding principles of volunteering is that it is unpaid. However, volunteers may be reimbursed for food, accommodation, transport and other expenses incurred in the course of their voluntary work.

Another guiding principle of volunteering is that participation in voluntary activities must be based on equal opportunities and treatment, without discrimination.



## 2. Legal requirements/rights/ practices for different categories of workers

### a. Employees

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#### *Definition of an employee*

An employee is defined under Romanian law as a natural person who undertakes to work for and under the authority of an employer, whether a natural or legal person, in return for remuneration known as a salary.

### 1 Contracts of Employment

**What types of employment contracts are available? E.g. fixed term, part time, zero hour contracts, other? Are there any specific employment contracts available for non-profit organizations?**

The typical employment contract available include:

- Full time (normal working hours are 8 hours per day and 40 hours per week);
- Part time (normal working hours are less than the normal working hours of a comparable full-time employee);
- Zero hours contracts are not regulated under Romanian labor law.
- Fixed term (maximum period of 36 months);
- Undetermined term (i.e. permanent, where the contract runs for an unlimited duration until terminated by either party).

Other types of contracts available include:

- Apprenticeship contracts;
- Internship contracts;





- Temporary workers;
- Volunteering;
- Traineeship contracts (specifically for students, for carrying out their mandatory training).

### **What are the key terms of employment contracts?**

Employment contracts are as a rule concluded on the basis of a template labor agreement, authorized by the Ministry of Labor, which contains the basic terms of the employment relationship, namely:

- parties' identity;
- place (or places) of work and, in the absence of a fixed place of work, the possibility for the employee to work at different places of work, and whether travel between them is provided or paid for by the employer (where appropriate);
- if applicable, the fact that the employee is a teleworker or working from home;
- the registered office or, where appropriate, the domicile of the employer;
- position and job description;
- the function/occupation as specified in the Romanian Classification of Occupations or other normative acts, as well as the job description, specifying the duties of the post;
- the criteria for evaluating the employee's professional activity applicable to the employer;
- the risks specific to the position;
- start date of the contract;
- in the case of a fixed-term employment contract or a temporary employment contract, the duration of the contract;
- the duration of the annual leave to which the employee is entitled;
- the conditions under which notice is given by the contracting parties and its duration;
- the base salary, the other constitutive elements of the salary income, separately evidenced, the frequency of payment of the salary to which the employee is entitled and the method of payment;
- the normal hours of work, expressed in hours/day and/or hours/week, the conditions under which overtime is worked and compensated/paid and, where appropriate, the arrangements for the organization of shift work;
- application of any collective bargaining agreement;
- the duration and conditions of the probationary period, if any;
- the procedures for the use of electronic signatures, advanced electronic signatures and qualified electronic signatures;
- the rights and conditions relating to professional training offered by the employer;





- the employer's payment of private medical insurance, additional contributions to the employee's payment of private medical insurance, additional contributions to the employee's voluntary pension or occupational pension, as well as granting of any other rights, where these constitute cash benefits granted or paid by the employer to the employee as a result of the employee's professional activity, as the case may be.

Nothing prevents the parties from agreeing additional terms provided these do not conflict with the law or afford the employee lesser rights than those afforded under the law.

There is no standard practice for including additional provisions in the employment contracts of junior employees (and such additional provisions depend largely on the nature of the activity being carried out). Common provisions may include mobility clauses, confidentiality clauses etc.

Employment contracts for senior executives typically also include:

- terms addressing confidentiality, non-compete and non-solicitation;
- extensive provisions regarding bonuses and other benefits (such as company car, laptop, mobile phone, private health insurance) and additional termination provisions;
- intellectual property clauses.

#### **Is it acceptable to have a probation period for employees? If yes, for how long?**

It is customary to include a probation period for new hires. It is also possible, in exceptional circumstances, for existing employees who are starting in a completely new position with the same employer to be placed on a probation period (see further below).

The length of the probation period depends on the type of employment agreement, but for undetermined employment contracts (which are the most common type of contract), the duration of the probation period must not exceed:

- maximum 90 days for execution positions (i.e. those who only have operational duties);
- maximum 120 days for management positions (those defined by law or by internal regulations of the employer with a management aspect);
- maximum 30 days for people with disabilities.

In the case of fixed-term employment contracts, the duration of the probation period must not exceed:

- 5 working days, where the duration of the employment contract is less than 3 months;
- 15 working days, where the duration of the employment contract is between 3 and 6 months;
- 30 working days, where the duration of the employment contract is more than 6 months;
- 45 working days in the case of employees in management positions - and where the duration of the employment contract exceeds 6 months.

During the probation period, the employee benefits from all the rights and obligations laid down in employment legislation, any applicable collective bargaining agreement, the internal company rules and the employment contract.

Ordinarily, there can only be one probation period during the performance of an employment contract. Only in the following exceptional circumstances may the employee be subject to a new





trial period if they are working for the same employer: (1) where the work is in a new position or profession or (2) if they are going to work in a new role with difficult, harmful or dangerous conditions. If, within 12 months, further individual employment agreements are concluded between the same employer and the same employee, for the same function and with the same attributions, a probation period is not permitted (this applies in particular to re-hire scenarios).

During or at the end of the probation period, the employment contract may be terminated only by written notice, without the requirement of a notice period (i.e. the employee can leave immediately if elected by either party), at the initiative of either party and without having to state reasons.

**Are fixed term employment contracts permissible? Are there any limitations on fixed term contracts? Are there any requirements to have a fixed term contract?**

Fixed-term employment contracts are permissible only in specific cases provided for by the Labour Code, as follows:

- the replacement of an employee in the event of the suspension of their contract of employment, unless that employee is taking part in a strike;
- temporary increase and/or change in the structure of the employer's business;
- seasonal activities;
- where it is concluded pursuant to legal provisions issued for the purpose of temporarily favoring certain categories of unemployed persons;
- employment of a person who, within 5 years of the date of employment, fulfils the conditions for retirement on grounds of old age;
- holding an eligible position in trade unions, employers' organizations or non-governmental organizations during the term of office;
- employment of pensioners who, according to the law, may combine pension with salary;
- in other cases expressly provided for by specific laws or for carrying out specific, time limited works (meaning operations e.g. road works, construction) projects or programs.

Fixed-term employment contracts (together with any renewals thereof) cannot exceed 36 months in aggregate.

The same parties may conclude a maximum of three successive individual fixed-term employment contracts, together not exceeding 36 months in aggregate. Individual fixed-term employment contracts concluded within 3 months of the termination of a fixed-term employment contract are considered successive contracts and may not exceed 12 months each.

Employers must inform fixed-term employees of any vacancies for any indefinite period contracts that become available and correspond to the employee's qualifications and professional expertise.

**Do employment contracts have to be in writing? Are there any signatory requirements for employment contracts? For example, could they be signed in-person or electronically, etc.)?**

Employment contracts must be concluded, at the latest, the day prior to the employee commencing employment, in writing and in the Romanian language. The written form is required for the contract to be valid. Bilingual contracts are also acceptable, provided one language is Romanian and Romanian language prevails.







The employment agreements may be signed either using an electronic signature (but see comments below) or wet ink.

It is not mandatory that employment contracts are signed in person, as the following options are also available:

- signing the agreement in counterparts and then exchanging the originals either via courier or via a physical meeting;
- signing these electronically – but in this case both parties must use an advanced or qualified electronic signature.

**Do employees have to be issued with a written employment contract before they start work?**

Yes, the employment agreement must be concluded and one original handed over to the employee at least one day prior to the employee commencing the work.

**Can you provide a simple template of the contracts mentioned above?**

N/A.

**Is there an obligation for an employer to run a criminal record check to the extent that any individual they hire will be working with children or vulnerable people?**

Checking criminal records on hiring is problematic under local data privacy rules – processing of this type of information is allowed only when the nature of the role objectively justifies such checks.

There is no one-rule that fits all answers to this question in Romania, as whether there is an obligation for an employer to run a criminal record check for work with children or vulnerable people will differ on a case by case basis, depending on the position and duties in question. This will therefore need to be individually assessed.

**Can employers request references from former employers for new hires?**

The employer may request information about the person applying for employment from their former employers, but only with regard to the activities performed and the duration of employment and only with prior knowledge of the person concerned.

**Is an employer required to set up any form of employee representative body? If so, what is the trigger for this?**

Employers are not required to set up any form of employee representative body. Employees, however, have the right to appoint representatives or, as the case may be, form trade unions. Employee representatives may be appointed if the employer has more than 10 employees.

The employer cannot be involved in any way in the process of election of employees' representatives or unionization.

**Is it common to have collective agreements in your jurisdiction that apply to all employers in a particular region or sector?**

No, collective negotiation is, currently, rather employer-specific in the private sector. The situation is different in the public sector, where there is a stronger degree of unionization and collective bargaining but there can be collective agreements which apply to a particular field.





## 2 Conditions of employment

### **What is the minimum age requirement for employment?**

As a rule, the age from which you can become an employee is 16 years.

An individual may also enter into an employment contract as an employee on reaching the age of 15, with the consent of their parents or legal guardians for activities appropriate to their physical development, aptitudes and knowledge, provided that their health, development and professional training are not thereby endangered.

Employment of persons under the age of 15 is prohibited.

### **What type of work may a child undertake? For example, are there any specific restrictions?**

Besides the conditions mentioned [above](#), please note the following:

- the employment in heavy, harmful or dangerous jobs (as defined by law) can be done only after the age of 18;
- night work can be done only after the age of 18.

### **Wages**

#### **What is the minimum wage requirement for employees? Are there any exceptions in minimum wages for young persons or people with disabilities?**

Starting from 1<sup>st</sup> January 2023, the minimum gross basic guaranteed wage, not including bonuses and other allowances, is RON 3,000 per month (for normal working hours averaging 165.333 hours per month, representing RON 18,145 lei per hour).

#### **Are there any conditions which warrant a pay raise or extra pay? If yes, what are they?**

The salary is determined by individual negotiations between employer and employee, so there are no particular conditions in this respect.

Extra pay may be warranted in case of non-standard working time (e.g. on call, overtime, working at night or during the weekend).

#### **When are wages due? For example, is there any obligation to pay wages weekly, or monthly?**

Salaries shall be paid in cash or by bank transfer at least once a month, on the date specified in the employment contract, in the applicable collective labor agreement or in the employer's internal rules, as appropriate.

#### **Are employers obliged to provide employees with paid leave on public holidays?**

Yes, public holidays are in addition to annual leave and must be paid.

#### **Are employers obliged to provide employees with annual leave?**

Yes, all employees under Romanian law are entitled to a minimum statutory annual leave of 20 working days. Employees working in difficult, dangerous or injurious conditions, blind people, other disabled people and young people up to the age of 18 are entitled to additional rest leave of at least 3 working days.





Additional types of leaves or paid days off may be granted to employees, in specific situations.

**Are employees entitled to receive their usual salary during their annual leave?**

Yes.

**Is there a requirement to pay overtime? How is overtime compensated?**

Yes. Overtime is compensated either with a) paid time off during the following 90 days; or b) a compensation which is at least 75% of the base salary for each hour performed as overtime, paid on top of the normal pay for the time worked.

**Are there any extraordinary circumstances that could be relied on to temporarily cease paying employees for the hours worked?**

No.

**Are employees entitled to an end-of-year payment?**

No, unless otherwise negotiated.

**Are employees entitled to payments when their employment contract is terminated, such as notice or notice pay, accrued or untaken holiday and/or statutory severance?**

As a rule no, but depending on the grounds of termination and their contractual entitlements, the employee may be entitled to a notice period or other entitlements.

**Working hours**

**What is considered a full time working week? If the employee is contractually required to work less than this amount are they considered a part time employee?**

The normal working hours for a full time employee is 40 hours per week.

A part-time employee is deemed to be an individual whose normal working hours, calculated on a weekly or monthly average basis, are less than the normal working hours of a comparable full-time employee (i.e. for less than 8 hours per day and 40 hours per week).

**Are there fixed public/statutory holidays each year? Can employees be required to work on public/statutory holidays? Are employees entitled to any other type of leave besides public/statutory holidays?**

Yes, currently there are 15 bank holidays per year.

As a rule, employees cannot be asked to work during a bank holiday, unless by reference to its nature, the work cannot be interrupted e.g. power plants, factories and essential health services.

Employees who are required to work during bank holiday are entitled to paid time off during the next 30 days or a compensation of at least 100% of the normal pay for each hour worked during bank holiday, on top of normal pay.

There are several other statutory leaves an employee may be entitled to, depending on specific circumstances (maternity leave, paternal leave, caregiver leave, adoption leave, parental leave etc.).





**Do part time employees receive any particular protection on the basis of their part-time status?**

Part-time employees enjoy the rights of full-time employees.

Employers must inform part-time employees of any vacancies for full time jobs that become available and correspond to the employees' qualifications and professional expertise.

**Do part-time employees receive the same pro-rated terms to full time employees, e.g. in relation to pay and benefits?**

Yes.

**Social security**

**What social security contributions are employers obliged to pay? Presumably, pro-rated contributions are required for part time employees?**

The wage tax and social security burden primarily rests on the employees, albeit tax and social security contributions are withheld and paid to the state budget by the employer. The taxation applicable to a wage is in the region of 45% applied to the gross income.

Separate to the above, the employer owes an additional contribution in the amount of 2.25% of gross income.

**Are employers obliged to provide health insurance to their employees?**

No, but as part of their overall health and safety obligations, employers are required to provide access to an occupational doctor.

**Are employees entitled to unemployment insurance/benefits following the end of employment?**

In principle yes, but limitations may apply depending on aspects such as a) overall contribution of the employee to the social insurance budget; and b) grounds of termination (e.g. employees who resign are not entitled to unemployment aid).

**Are employers obliged to provide sick leave? If yes, for how long? How many days have to be paid by employers? Is it possible to have unpaid sick leave?**

Sick leave is an entitlement provided by the state.

Employees who are insured under the public health system are entitled to sick leave, on the basis of medical leave certificates. If an employee provides a validly issued medical leave certificate, the employer must process and observe it.

The number of sick leave days that an employee may take, the sick leave indemnity and the responsibility for payment of it depend on the affliction for which the medical leave is granted.

As a general comment, the sick leave pay amounts (for most afflictions) to 75% of the average monthly income of the employee over the last 6 months of the 12 months of which the contribution period is constituted.

Expenses incurred as a result of the employees' sick leave are borne by the employer for the first 5 days of the sick leave and by the National Health Insurance Fund from the 6th day of sick leave onwards.





Genuine sick leave does not reduce the employee's entitlement to annual leave. Further, employees cannot be dismissed during temporary work incapacity and any attempt by the employer to rely on sick leave as the basis for dismissal would be challengeable before a court of law.

Sick leave is limited to 183 days per year and can be extended by a further 90 days in cases of severe sickness. In very serious cases (for example, cancer patients, tuberculosis), extended sick leave is also allowed, but ultimately if the employee does not recover, they will apply for disability retirement.

It is not possible to have unpaid sick leave.

**Are employers obliged to provide maternity leave for employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid maternity leave?**

As above, maternity leave is a legal entitlement for employees who are insured under the public health system and meet the eligibility criteria.

Maternity leave is up to 126 calendar days and is used generally in two equal periods of 63 calendar days pre and post birth.

The two periods may be merged (in consultation with the employee's physician), provided that the post-birth leave is no less than 42 calendar days.

Maternity benefit entitlement: 85% of the basis of calculation (i.e. the average monthly income over the last 6 months of the 12 months of which the contribution period is constituted). The basis of calculation is limited to 12 gross minimum monthly salaries.

It is not possible to have unpaid maternity leave.

**Is paternity leave available to employees? If yes, for how long? How many days/months have to be paid by employers? Is it possible to have unpaid paternity leave?**

As above, paternity leave is a legal entitlement for insured employees who meet the eligibility criteria.

Paternity leave is a maximum of 10 working days, at the request of the father, if claimed within a period of 8 weeks from the birth. It may be extended once by 5 additional working days if the father has completed a child parenting course.

The indemnification for paternity leave is paid from the employer's salary fund and is equal to the employee's salary corresponding to the period of the paternity leave.

It is not possible to have unpaid paternity leave. Neither is it possible for the father to share any part of the mother's maternity leave entitlement.

**Are employers liable for absence due to work-place injuries?**

Yes, generally employers are liable for any injury caused to the employee due to work conditions.

**Are employees entitled to retirement benefits from the employer? If yes, what benefits?**

In principle no, as Romania is currently based on a public pensions system, which relies on the mandatory contributions of active employees.

Pensions are paid, as a rule, from the state budget.





### **Are employers obliged to introduce reporting channels and legal safeguards for whistleblowers?**

Yes, the scope of these obligations depend on the size of the employer. Employers employees must create internal reporting channels and adopt procedures for internal reporting, for verification and resolution of reporting and for remediation of the reported breaches (where applicable). These obligations have applied in relation to employers with over 250 employees since 22 December 2022. They will also apply to employers with between 50 and 249 from 17 December 2023.

The law makes clear that any form of retaliation against persons reporting eligible breaches is prohibited.

## **3 Safe and supportive work environment**

### **Broadly what measures have to be in place to ensure employers uphold health and safety? (such as fire or earthquake drills)**

The employer is obliged to ensure the safety and health of employees in all aspects of work. If the employer outsources health and safety procedures to a third party, this does not exempt it from liability in this area.

In particular, the employer has the following obligations:

- to inform, as soon as possible, all workers who are or may be exposed to a serious and imminent danger of the risks involved and of the measures taken or to be taken for their protection;
- to take measures and give instructions to enable workers to stop work and/or leave the workplace immediately and move to a safe area in the event of serious and imminent danger;
- not to require workers to resume work where there is still a serious and imminent danger, except in exceptional cases and for justified reasons;
- to take the necessary measures for first aid, firefighting and evacuation of workers, appropriate to the nature of the activities and size of the undertaking and/or establishment, taking into account other persons present;
- to establish the necessary links with the specialist services, in particular as regards first aid, the emergency medical service, rescue services and the fire service.

### **Is there a requirement for an employer to issue any form of non-discrimination policies? (such as gender equality policies, equal employment opportunities, diversity, and inclusion policies, etc.)**

Under the broad obligations that employers have to ensure a discrimination and harassment free work environment, employers are obliged to ensure that all necessary tools are implemented within the business so as to prevent and combat harassment and discrimination. These tools include, among others, implementing clear policies and procedures.

### **Is there a requirement to provide employees with training designed to combat discrimination and harassment?**

The employer is obliged to take all necessary measures to prevent and combat psychological harassment in the workplace, including but not limited to training.





### **Is there a requirement to have a data protection policy?**

Yes.

### **Is it mandatory for employers to have a Child Protection Policy (CPP)? Are employees obliged to provide training on CPP to its employees?**

This is not a requirement under Romanian law.

## **4 Tax**

### **Which taxes are mandatory for employers to pay and deduct on behalf of their employees?**

The standard taxation regime is the following:

- 25% social security contribution (CAS), for normal working conditions, borne by the employee, paid by the employer (employees working under special or dangerous conditions are subject to different contributions);
- 10% of the social health insurance contribution (CASS), borne by the employee, paid by the employer;
- 10% tax on income from wages, borne by the employee, paid by the employer.

### **Are all employee taxes deducted from the salary that the employer pays or is there a requirement for employees to pay certain taxes directly?**

Yes, the tax mentioned [above](#) is withheld by the employer and paid to the state budget in the name of the employee.

## **5 Remote work**

### **Are employers required to have a registered legal entity in the jurisdiction in order to employ employees in the jurisdiction?**

In principle no, it is not necessary to have a registered legal entity in the jurisdiction in order to employ employees in the jurisdiction. But from a practical perspective, it is very uncommon for foreign entities to employ staff in Romania and under Romanian employment law terms. Hiring locally can trigger not only employment law obligations, but tax issues.

### **Are employers required to provide any form of physical working space for employees working in your country?**

No, this is not an obligation under the law; Romanian law recognizes forms of fully remote work (telework and work-at-home).

### **Please provide general instructions for employers on what to check if the employer has remote employees, including concerning employee tax liabilities.**

A key point to be factored in is that telework is subject to specific terms and conditions, which have to be agreed with the employee before implementing this model.

Essential issues to be addressed and clarified before employing teleworkers refer to:

- Data privacy and confidentiality;





- Allocation of responsibility for telework costs;
- Allocation of health and safety responsibility;
- Timekeeping and reporting;
- Travel i.e. even if working as teleworkers, clear rules should be set out regarding the teleworkers right to work outside of the country.

A teleworker working under a Romanian labor law contract in Romania would be subject to the same tax regime as an onsite worker. If the teleworker is working remotely from another jurisdiction, the following should be noted:

- Income tax – the tax regime may be different depending on the length of the teleworker's stay, since the foreign state in which the employee is located may be entitled to collect income tax on the income earned by the employee. In most cases, the state that will be competent to withhold the income tax is determined according to the rules laid down in the double taxation treaty between the state whose tax residence the employee has and the foreign state where the employee works;
- Social contributions (i.e. social security, health insurance and labor insurance contribution) – according to EU legislation, the employee is subject to the legislation of only one EU Member State and usually the applicable legislation is that of the state where the employee's activity takes place. Depending on the specific situation of the employee, there is the possibility that the employer may be obliged to register in the foreign state where the employee works and pay the necessary amounts to the social security system of that state. If the employee does not work in the EU and works in a third country, the social security agreement with that country must be taken into account.

## 6 What to do when things go wrong

### Dispute resolution

**Do employees (including volunteers) need to go through any form of dispute resolution before bringing a claim to a court or tribunal?**

No.

### Resignation

**What grounds do employees have for resignation?**

Resignation does not need to be motivated in any way, employees can resign at any moment, their only obligation being to send a resignation letter in writing and provide the contractually agreed notice period.

### Termination

**What grounds do employers have for the termination of employment contracts?**

The employer may terminate unilaterally the employment agreement in the following scenarios:

For reasons related to the employee:

- disciplinary (misconduct);







- if the employee is imprisoned or under house arrest for a period exceeding 30 days;
- medical incapacity; and
- professional inadequacy.

For reasons which are not related to the employee:

- The elimination of the position filled by the employee, for one of several reasons not related to the employee – including collective redundancies, due to for example: redundancies on account of personnel restructuring, economic loss, technological upgrading making certain manned positions redundant etc

### **How do employers have to document the termination of an employment contract?**

The termination procedure depends on the applicable grounds for termination as, pursuant to the Romanian Labour Code, each ground for dismissal is subject to a specific dismissal procedure which must be observed.

As a general comment, termination of employment tends to remain one of the most formalistic aspects of employment in Romania, with high risks associated with not observing the rules relevant in each termination scenario.

### **What is the responsibility of employers for damages incurred by an employee's actions within his/her work?**

The employer is obliged, under the rules and principles of contractual civil liability, to compensate the employee if they have suffered material or non-material damage as a result of the employer's fault in the performance of the employee's duties or in connection with their employment. If the employer refuses to compensate the employee, the employee may bring an action before the competent courts.





## b. Independent contractors/consultants\*

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#### *Definition of an independent contractor/consultant*

Independent contractor/consultant is a person who undertakes, at their own risk, to perform certain work, whether material or intellectual, or to provide a certain service for the beneficiary, in return for a price.

*\*The term consultant will be used to also refer to independent contractors, or any other term that would mean a natural person that provides goods or services under a written contract or a verbal agreement but does not work to meet the definition of employee.*

### 1 Contracts

#### **What types of independent contractor/consultant agreements are available? Are there any specific agreements available to NGOs?**

Under Romanian law, there is a main contract called a "services agreement" which is used in relationships between third party providers (consultants, sometimes through their own employees or collaborators) and beneficiaries There are no specific agreements available to NGOs.

#### **What are the main elements of consultant agreements?**

As this type of agreement is a purely commercial contract, the terms are subject to negotiations between the parties, on a case by case basis.

#### **Is it possible to have probation periods for independent contractors/consultants? If yes, for how long?**

No.

#### **Is it possible to have a fixed term consultation/independent contractor agreement? Are there any restrictions around fixed term consultant/independent contractor agreements?**

Yes, see above – all terms of a contractor/consultant agreement are subject to negotiations.

#### **Do independent contractor/consultant agreements have to be in writing? Are there any signatory requirements? For example, could they be signed in-person or electronically, etc.)?**





It is not mandatory to conclude this contract in writing since this is not a valid condition. However, it is recommended to use written form in case evidence of the terms is later required for example in a court of law.

With respect to signing methods, the contract could be signed either in wet ink or using a valid electronic signature.

**Do all types of independent contractors/consultants have to be under contract in order to be able to work?**

Yes, there must be an agreement in place, even if it is not in written form as long as it can be proved by other means.

**Can you provide a simple template of the agreements mentioned above?**

N/A.

**Is there an obligation to run a criminal record check to the extent that any independent contractor will be working with children or vulnerable people?**

No.

## 2 Conditions of work for consultants

**Are there any minimum age requirements for an individual to work under a consultant/independent contractor agreement?**

Independent contractors, under Romanian law, would generally be legal entities. It is extremely unusual for a commercial contract to be concluded with a natural person. Where the legal entity provides services via an individual, the same limitations set out [above](#) will apply.

**Does a consultant/independent contractor need to obtain a license or any other permission in order to work?**

This depends on the field in which the consultant/independent contractor work and whether there are special provisions in that field or not. Where a certain qualification is required to carry out a particular activity, of course, the consultant/independent contractor will need to obtain it in order to work.

### Payment

**Are there any minimum pay requirements for consultants/independent contractors?**

No.

**Are there any exceptions in minimum wages for young persons or people with disabilities?**

No.

**Is there any requirement to provide statutory/paid leave to consultants for statutory holidays?**

No.





**Is there any requirement to pay annual leave to consultant/independent contractors? If so, how is this compensated, if at all?**

No.

**Is there an obligation to provide consultant/independent contractors with overtime? How is this compensated if required?**

No.

**Are consultants entitled to an end-of-year payment?**

No.

**Are consultants entitled to a final payment when the contract is terminated?**

No.

### **Working hours**

**Are consultants entitled to any type of leave, whether paid or unpaid?**

No.

### **Social security**

**Does the end user engager need to make any social security contributions on behalf of a consultant/independent contractor? Are independent contractors entitled to health insurance from the end user engager?**

In principle no; the extent of the taxation obligation applicable in connection with a purely independent contractor will belong to the contractor.

There are forms of cooperation in which a different taxation regime would apply (e.g. authorship agreements, management agreements), but that would not apply in respect of a services agreement concluded with a third party provider (which is what we mean by an independent contractor).

**Are independent contractors/consultants entitled to unemployment insurance/benefits after termination of their independent contractor/consultancy agreement from the end user engager?**

No.

**Are independent contractors/consultants entitled to sick leave from the end user engager? If yes, for how long? How many days have to be paid?**

No, any such entitlements, if any, will be based on contributions made by the contractor to the state budget.

**Are independent contractors/consultants entitled to maternity leave from the end user engager? If yes, for how long? How many days/months have to be paid?**

No, any such entitlements, if any, will be based on contributions made by the contractor to the state budget.





**Are independent contractors/consultants entitled to paternity leave from the end user engager? If yes, for how long? How many days/months should be paid?**

No, any such entitlements, if any, will be based on contributions made by the contractor to the state budget.

**Are employers obliged to cover work-place injuries for independent contractors/consultants?**

Under civil liability principles, if the injury is caused by the beneficiary, they can be held liable.

**Are independent contractors/consultants entitled to retirement benefits from the end user? If yes, what benefits?**

No.

### **3 Safe and supportive work environment**

**Are there any differences in terms of the regime that applies to employees?**

Social protection measures for employees are recognized by law, including health and safety provisions. Individual contractors do not enjoy legal protection in this respect but can negotiate health and safety conditions in accordance with the principle of mutual consent.

### **4 Remote work**

**Are end user engagers required to have a registered legal entity in the jurisdiction in order to hire independent contractors/consultants there?**

This depends on the scope of the contractor/consultancy agreement and whether or not the principle of freedom of services can be applied. The principle of freedom of services is a principle applicable under EU Law which entitles independent contractors/consultants who are already authorized to carry out business activities in one EU Member State to provide their services in another EU Member State without having to become established there. If the independent contractor/consultant is not from an EU Member State, the EU principle of freedom of services will not be applicable. In such case, whether a registered legal entity will be required will depend on the scope of the contractor/consultancy agreement.

### **5 What to do when things go wrong**

#### **Resignation**

**Do consultants/independent contractors need a reason to terminate the contract or can they terminate it for any reason in accordance with the terms of the contract?**

Consultants/independent contractors do not “resign”; the correct term would be “unilaterally terminate” the contract. They do not need a reason to do so. There are no legally specified grounds for the termination of consultant agreements so in order to be able to terminate an ongoing contract, the termination mechanism agreed in the contract should be observed.

#### **Termination of agreement**

**What grounds do end user engagers have for the termination of consultant agreements?**





There are no legally specified grounds for the termination of consultant agreements. Termination grounds will depend on the terms of the contract, or on the provisions of Romanian civil law.

**What is the responsibility of the end user engagers for damages incurred by a consultant's actions within his/her work?**

The responsibility of the employees of the end user toward the contractor is not automatically excluded, on the basis of the principle that any liability is personal i.e. they will be responsible for any damages caused by their actions or inactions.

If the end user engagers act in a manner in which the consultant incurs a damage (e.g. they cause a personal injury to the consultant's workers or materials), they can be held liable for their actions.

If the consultant's actions are caused by incorrect instructions/guidance received from the end users' engagers, the consultant's liability can be excluded and the end user /its engagers can be held liable.





## c. Volunteers

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#### *Definition of a volunteer*

A volunteer is any natural person, irrespective of race, ethnic origin, religion, sex, opinion, political affiliation, who has acquired the capacity to work according to employment legislation and carries out voluntary activities.

### 1 Contracts

#### **Are organizations required to sign any form of agreement with volunteers?**

Yes, the activity must be carried out on the basis of a voluntary contract concluded in writing. The written form is required in this case for the validity of the contract itself.

It is prohibited to disguise an employment agreement as a voluntarist contract.

### 2 Conditions of employment

#### **Is there a minimum age requirement for volunteers?**

Yes. The volunteer must have the legally required capacity to be employed – please refer to our comments in the section relevant for employees.

#### **What type of volunteering work may a child undertake? Are there any restrictions around this?**

There are no special provisions in this respect but, in Romania, the exploitation of children, their use in activities that would harm their health, morality or endanger their life or normal development is prohibited.

#### **Payments and reimbursement**

#### **Are organizations allowed to pay stipends to volunteers?**

No, volunteers are not paid under the volunteer contract, which is one of the essential aspects of this contract.

#### **Are organizations allowed to reimburse volunteers? If yes, for what expenses (such as transportation, food, etc.).**

Yes, the organizations have the possibility to bear the costs of food, accommodation and transport for the volunteer in carrying out their voluntary activity, within the limit of the amounts allocated





for this purpose. Even if such reimbursement has been agreed between the parties, the volunteer may waive the costs of food, accommodation and transport by means of an affidavit approved by the management of the organization.

The organization may also bear other expenses incurred in carrying out the voluntary activity, except for those related to the work performed by the volunteer within the limit of the amounts allocated for this purpose. Even if such reimbursement has been agreed between the parties, the volunteer may waive the above expenses by means of an affidavit approved by the management of the host organization.

### **Working hours**

#### **Are there any obligations around how many hours volunteers can work?**

There are no special regulations as in the case of employees, but the volunteer contract must include information regarding the time and period of the voluntary activity.

#### **Are volunteers entitled to any type of leave?**

No.

### **Social security**

#### **Are organizations obliged to pay any social security contributions on behalf of their volunteers?**

No, since they are not paid for performing their activity.

#### **Are organizations obliged to provide health insurance to volunteers?**

They are not obliged to but, at the request of the volunteer, the host organization may conclude an insurance contract against the risks of accident and illness or other risks arising from the nature of the activity, depending on the complexity of the activity in which the volunteer participates and within the limit of the sums allocated for this purpose.

#### **Are organizations liable for absences of volunteers due to work-place injuries?**

Yes, under the principles of civil law liability i.e. if the injury has been caused by/attribution to an action or inaction of the organization.

## **3 Safe and supportive work environment**

#### **Are there any differences in terms of the regime that applies to employees?**

No.

The organization is obliged to ensure that the activities are carried out under the direction of a volunteer coordinator, in compliance with the legal conditions concerning health and safety at work, depending on the nature and characteristics of the activity in question.

## **4 Tax**

#### **Are organizations obliged to pay taxes if they pay their volunteers stipends? If yes, what types of taxes are mandatory to pay?**

N/A.







## 5 What to do when things go wrong

### **What grounds do organizations have for the termination of volunteer agreements/arrangements?**

The organization can terminate the volunteer contract as follows:

- mutual agreement with the volunteer;
- unilateral termination – communicated and justified in writing, with a notice period of 15 days;
- termination as a result of non-performance or improper performance of the contract.

### **What is the responsibility of organizations for damages incurred by a volunteer's actions within his/her work?**

In the event that, by carrying out voluntary activities, damage is caused to third parties, the organization shall be jointly and severally liable with the volunteer, in accordance with the law or the volunteer contract, unless the damage was caused solely through the volunteer's own fault. In the latter case, the volunteer will be solely responsible for the damage caused.





## d. Non-citizen employees and consultants, including refugees and others forcibly displaced

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### 1 Status and the right to work

#### **Are employers obliged to secure legal status for their employees or consultants if they are non-citizens? (such as refugee status, humanitarian visas, visas for trafficking survivors, other recognized protection statuses, etc.)**

No, but employers are obliged to ensure that their employees (including when using other forms of cooperation) have the right to stay and work in Romania. Depending on the actual situation, from a practical perspective this may mean that the organization must comply with certain immigration formalities.

Although employers are not obliged to secure legal status for their employees, it is considered a criminal offence to accept for work a person residing illegally in Romania, knowing that this person is a victim of human trafficking.

#### **Are employers obliged to secure work permits for their employees or consultants?**

Yes.

#### **Is it always necessary to obtain a work permit?**

As a general rule, yes.

Exceptions are very few and limited in scope (e.g. in case of individuals whose free access to the Romanian labor market is established by treaties concluded by Romania with other states, individuals who have been formally granted protected status, asylum-seekers who fall under the category mentioned [below](#)).

#### **Can asylum-seekers and other persons forcibly displaced access the right to work if they do not have refugee status or other recognized protection statuses?**

Asylum seekers have the right to be granted access to the labor market under the conditions laid down by law for Romanian citizens, after the expiry of a period of 3 months from the date of submission of the asylum application, if no decision has been taken on their application during the administrative phase of the procedure and the delay cannot be attributed to the individual, as well as during the asylum procedure in the judicial phase.





## 2 Contracts

**Are employment contracts or consultant agreements for non-citizens different to those for citizens?**

No.

## 3 Conditions of employment

**Does national law regulate the quotas for the number of non-citizens within one organization?**

No.

**Are employers obliged to report about employed non-citizens?**

Where the employment of a non-citizen qualifies for one of the exemptions provided by the law from obtaining a work permit, the employer/beneficiary is obliged to communicate to the General Inspectorate for Immigration, no later than 10 days from the date of commencement of the individual's activity on the territory of Romania, a copy of the individual employment contract, as well as the documents proving that they qualify in those cases.

The employer/beneficiary is also obliged in these cases to communicate any amendment to or termination of the employment agreement (no later than 10 days from the date of the amendment/termination).

When hiring the non-citizen triggers an obligation to obtain a work-permit, the organization will be subject to the general obligations applicable to hiring foreigners, which include reporting obligations.

**Are there any other differences in conditions of employment for non-citizens and citizens?**

Non-citizens can be employed in Romania on the basis of an employment contract, but such employment requires a number of specific conditions and procedures, as detailed [here](#) and [here above](#).

**Are there any specific employment terms that apply to citizens but not apply to non-citizens?**

No.

## 4 Safe and supportive work environment

**Are there any differences in a safe and supportive work environment approach for non-citizens? If yes, please elaborate here.**

No.

**Does the employer have additional obligations for non-citizens?**

No.





## 5 What to do when things go wrong?

**Is the process of termination of an employment contract for non-citizens different than for citizens? If yes, please explain here.**

Mainly no. Termination of employment must, nevertheless, be reported to the General Inspectorate for Immigration.

**Is the process of resignation for non-citizens different than for citizens? If yes, please explain here.**

Mainly no. Termination of employment must, nevertheless, be reported to the General Inspectorate for Immigration.

**Are non-citizens entitled to the equal protection of employment laws in the event of employment-related disputes?**

Assuming that the law applicable to the contract is Romanian law, yes.





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