

Romanian authorities announce controls on employers who benefit from technical unemployment aid

With the end of Romania's state of emergency scheduled for 14 May 2020, the Ministry of Labour and Social Protection has announced that inspections and controls will be carried out on employers whose employees were affected by technical-unemployment measures as soon as the state of emergency is lifted and restrictions are discontinued.

During the state of emergency initiated due to the COVID-19 pandemic, Romanian labour authorities had generally suspended inspections and controls with only a few exceptions, such as work sites with conditions posing a high risk or threat of industrial accident.

When inspections resume once the state of emergency is lifted, the Ministry of Labour and Social Protection will carry them out through its various arms, such as the Employment Inspection office (Inspectia Muncii) and National Agency for Payments and Social Inspection (Agentia Nationala pentru Plati si Inspectie Sociala).

Although agencies performed an initial control of the documentation submitted in order to access financial aid from the Romanian state for technical unemployment, further controls will be conducted on employers to check if the reasons for requesting the aid were true and necessary in the context of the interruption or reduction of operations. The authorities will also check whether employers at some point during the receipt of financial aid failed to comply with the conditions for receiving this aid.

According to the Romanian Labour Code, employers who suspended employment agreements due to technical unemployment are not allowed to ask employees to perform work duties either onsite or from home unless the employers decide to lift this suspension and resume business activities.

If this rule was breached, employers face sanctions with fines ranging between RON 20,000 (EUR 4,140) per employee up to the capped amount of RON 200,000 (EUR 41,410).

Authorities are encouraging employees who were requested to work, either onsite or from home, to notify the competent local labour inspectorate.

For more details on this eAlert, contact your regular CMS advisor or local CMS experts **Horea Popescu, Raluca Ionescu** or **Simona Strava**.