

Government Emergency Ordinance no. 132/2020



Government Emergency Ordinance no 132/2020 as regards 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, as well as to incentivize the increase of workforce employment (“GEO 132”) was published in the Official Gazette of Romania no. 720/10 08 2020.

GEO 132 contains supplementary support measures meant for both the employees and the employers, accessible under certain conditions, expressly provided, that we will briefly refer to below, it is a regulatory act similar to the so-called Kurtzarbeit from the German legislation, a topic that was constantly under public debate since the period of the emergency state.

I. Reduction of the working time decided by the employer with the payment of an allowance

In case of temporary reduction of activity caused by the declaration of the state of emergency/alert/siege, the employer has the possibility to reduce the working time of its employees by at most 50% of the duration provided under the individual employment contract.

During the period when the working time is reduced, the respective employees benefit of an allowance of 75% of the difference between the gross base salary 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.

The procedure to claim the amounts mentioned above, as well as the period of applicability will be established by government decision, to be approved, for the year 2020, within maximum 30 days as of the entry into force of GEO 132.

The employer may decide this measure and request the related allowance **if it cumulatively fulfills the following conditions:** (i) the measure affects at least 10% of the number of employees of the unit, and (ii) the reduction of the activity is justified by a decrease of the turnover from the month previous to applying the measure (or at most the month before the previous month) of at least 10% as compared to the the similar month of the previous year.

The employer’s obligations of information and prior consultation with the trade union/employees’ representatives/employees, as appropriate, as regards the application of this measure and to reduce the working time **for a period of at least 5 consecutive working days** are also provided.

During the period when the employers decide the reduction of the working time, GEO 132 also provides among others certain interdictions as regards the employers, for instance the interdiction to hire personnel or to subcontract the activities performed by the employees affected by the measure of the reduction of the working time. Also, the employees having their working time reduced are forbidden to do overtime for the same employer.

As regards the employees that have individual employment contracts concluded for a fixed term (up to 3 months), their employers will be able to receive **the 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 41.5% of the average gross income of 5,429 lei**, until 31 December 2020, but not longer than 3 months, corresponding to the worked period.

II. Financial aid for performing the activity under the telework regime

In order to perform the activity under the teleworking regime, in accordance with the applicable legal provisions, the employers are granted a **financial aid of 2,500 lei**, once, for each teleworker, in order to purchase bundles of technology related equipment and services that are necessary for performing the activity under the teleworking regime.

The amount mentioned above is granted to the employers, for their employees that worked under the teleworking regime **at least 15 working days** during the period of the emergency state, **in the order of the requests submitted** with the National Unemployment Agency, until 31 December 2020, from the unemployment insurance budget, **within the limit of the funds allocated for this purpose**.

The procedure for granting the amount and the categories of goods that may be purchased will be established by order of the ministry of labor and social protection, that will be published within 10 days as of the publishing of GEO 132.

We mention that GEO 132 provides for support measures also applicable to other categories, such as the professionals, cooperation members, and day laborers, providing for the specific legal requirements.