Deloitte.



In this issue:

New exemptions applicable to foreign citizens regarding employment in Romania

Approval of the amounts settlement procedure for the indemnity payment related to granting days off for parents in order to supervise children, in case of limitation or suspension of teaching activities, following the spread of SARS-CoV-2

Publication of the methodology for granting the financial support to employees and employers in order to purchase goods in the context of the epidemiological situation

Extension of the state of alert on the Romanian territory starting with September 15, 2020

Publication of the document templates necessary for approving the settlement and payment procedure of the amounts granted as support for employees and employers in the context of the epidemiological situation

These legislative news have been published in the Official Gazette no. 832, no. 836, no. 842 and no. 850 from September 2020.

New exemptions applicable to foreign citizens regarding employment in Romania

The obligation to obtain the work permit to the citizens of the Republic of Moldova, Ukraine and the Republic of Serbia employed in Romania with a full time employment contract, including cross-border workers, was removed in cases of contracts up to 9 months in one calendar year. Thus, long term visas can be obtained without having to present a work permit, easing the immigration process.

Approval of the amounts settlement procedure for the indemnity payment related to granting days off for parents in order to supervise children, in case of limitation or suspension of teaching activities, following the spread of SARS-CoV-2

The application form and statement to be submitted to the authorities are approved by the Order 1375/2020 for granting days off for parents in order to supervise children, in case of limitation or suspension of teaching activities that require the presence of children in schools and early childhood education units, following the spread of SARS-CoV-2.

The procedure for settling the amounts for the payment of the allowance for each day off granted to parents, the supporting documents, as well as the templates submitted by employers are approved. The procedure provides:

- For granting the allowance, the employers have to submit electronically the required
 documents to the Employment Agency; following the documents submission and verification,
 decisions determining whether the applications are approved or not are to be issued by the
 authorities;
- The application and the supporting documents have to be submitted in maximum 30 days from the date of payment of the income tax and social security contributions related to the allowance, and the reimbursement of the amounts will be performed within 15 calendar days from the date of the documents' submission;
- At the same time, the public institutions responsible for the evidence of children send to the Employment Agencies a nominal list within 10 days from limitation or suspension of teaching activities.

Publication of the methodology for granting the financial support to employees and employers in order to purchase goods in the context of the epidemiological situation

The Order establishes the procedure for granting the categories of goods that can be acquired by employers with the RON 2,500 financial aid, respectively:

- The goods that can be purchased are new goods specifically provided in the Order, such as: laptops/notebooks, tablets, smartphones, peripheral equipment and required licenses related to operating systems and software applications;
- For granting the financial aid, the employers submit electronically the application to the Employment Agencies. Afterwards, decisions accepting or rejecting the amounts will be issued;
- The payment is performed from the Unemployment Insurance Budget in the order in which the applications were submitted by December 31, 2020, within the available funds, via bank transfer, in maximum 10 days after the completed documentation is submitted;
- The employers have the liability to submit the supporting documents within maximum 30 days from the day the financial aid was granted;
- Failure to fulfill the conditions provided by the Order triggers full amounts refund by the employers.

Extension of the state of alert on the Romanian territory starting with September 15, 2020.

The state of alert is extended with 30 days starting with September 15, 2020. Consequently, entrance restrictions on the territory of Romania are still maintained, especially those applicable at the level of foreign citizens. Exceptions may apply if they fall into one of the specific situations mentioned in the

Decision, such as family members of Romanian citizens, those traveling for professional reasons or compelling reasons, for study purposes, highly skilled workers, cross-border, seasonal agricultural, members of international sports delegations or members of film crews etc.

Publication of the document templates necessary for approving the settlement and payment procedure of the amounts granted as support for employees and employers in the context of the epidemiological situation

The templates for the application forms, statement and nominal list of the employees for the following support measures have been published:

- for the amount up to 41.5% from the average gross salary for employees who conclude 3 months employment contracts;
- for the allowance of 75% applicable to the difference between the gross salary and the gross salary related to the hours actually worked as a result of the reduction of working time for employees whose working hours are reduced due to the instalment of the state of emergency/ alert/siege.

For further questions regarding the aspects mentioned in this alert, please contact us.



Raluca Bontaş Partner Global Employer Services rbontas@deloittece.com



Mihaela Vechiu Manager Global Employer Services mvechiu@deloittece.com

Deloitte.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/ro/about to learn more about our global network of member firms.

Deloitte provides audit, consulting, legal, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500° companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 244,000 professionals make an impact that matters, please connect with us on Facebook or LinkedIn.

Reff & Associates SCA is a law firm member of Bucharest Bar, independent in accordance with the Bar rules and represents Deloitte Legal in Romania. Deloitte Legal means the legal practices of Deloitte Touche Tohmatsu Limited member firms or their affiliates that provide legal services. Visit the global Deloitte Legal website http://www.deloitte.com/deloittelegal to see which services Deloitte Legal offers in a particular country.

This alert is offered as guidance and must not be considered a consultancy service. Before taking any action based on this document, you should ask for professional fiscal/legal advisory.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional advisor. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2020. For information, contact Deloitte Romania