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Romania towards enhanced work-life balance and better working conditions.

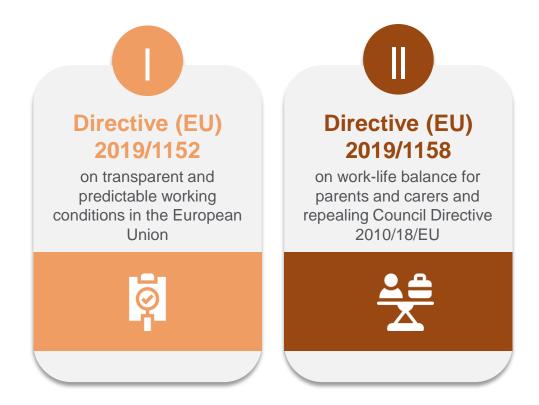
Next steps for employers



# Romania's transposition of EU Directives 2019/1152 and 2019/1158

In the era of digitalisation, the labour market is also experiencing continuous transformation. This is causing a rethink of traditional labour relations as well as the adoption of strategies to increase competitiveness and flexibility at work while maintaining a high level of social protection for employees.

In order to align the legislative framework in Europe to the new labour market realities, two important directives have been adopted at EU level:



In Romania, the transposition of these directives has been carried out gradually over the course of this year, and the majority of the rights and rules enshrined therein have been introduced through Law no. 283/2022 amending and supplementing Law no. 53/2003 – the Labour Code, and Government Emergency Ordinance no. 57/2019 on the Administrative Code, which was promulgated on 17 October 2022 by the President of Romania.

Below we outline the most important changes incorporated into Romania's legislative framework, reflecting the transposition of the two above-mentioned EU directives.

# I. Work-life balance for parents as well as carers, and some practical recommendations for employers

Reconciling work and personal life is increasingly difficult to achieve, given both the blurring of the boundary between work and rest time driven by the emerging digital economy, as well as the diversity of employees' needs arising from socio-demographic changes (in particular the aging population). In this context, several legislative measures have been adopted in Romania to support employees with family responsibilities, the most important of which are detailed below.



#### New and improved family leaves

- a. The right to be granted carer's leave of 5 working days within a calendar year to provide personal care or support to a relative or a person living in the same household as the employee who needs significant care or support due to a serious medical condition;
  - **N.B.** This leave is granted in addition to the classic care leave (sick childcare leave and adult cancer patient care leave the latter being recently introduced this spring).
- b. The right to be absent from work in case of family emergencies for a maximum of 10 working days/year, subject to prior notification to the employer and with recovery of the period of absence;
- **c.** The right to increased paternity leave—the duration of leave is increased from 5 to 10 working days.



#### Flexible working arrangements

The new legislative amendments define flexible working time organisation and establish the right of employees to request individualised work schedules, as well as the correlative obligation of employers to justify in writing any refusal within 5 working days of receiving the request.



#### Increasing employees' protection at work

In order to ensure that these new rights are fairly enforced, it is prohibited to discriminate against or dismiss employees on the grounds that they have exercised their legal rights. The prohibition of dismissal also applies during parental leave, carer's leave or absence from work for family emergencies.



### Our main recommendation for employers

Employers must ensure that employees are informed of their new rights and update internal regulations, collective agreements and any other relevant internal policies (e.g., leave policies, workplace discrimination, etc.). An employer's failure to comply with the new rules can lead to administrative liability (new fines are introduced in this regard) or even patrimonial liability in case of potential litigation initiated by employees.

# II. New obligations for employers to ensure transparency and predictability of working conditions

The new Romanian legislative amendments also aim to improve the working conditions of employees by promoting more transparent and predictable working conditions while ensuring adaptability in the labour market. To achieve this, employers are now subject to a number of new obligations, the most important of which are detailed below.



# Additional clauses should be introduced in individual labour agreements

Employers are required to provide additional information in writing. Therefore, employers will have to update the template of their individual employment agreement and amend the individual employment agreements of current employees by concluding related addenda, comprising information on:

- ✓ whether travel between workplaces in the absence of a fixed place of work is provided or paid for by the employer;
- ✓ separate indication of the constituent elements of the salary income, as well as the indication of the method of payment of the salary;
- ✓ conditions for the performance and compensation of overtime, as well as, if applicable, the method of organising shift work;
- ✓ conditions of the probationary period;
- ✓ the right to and conditions of professional training provided by the employer;
- ✓ private medical insurance, additional contributions to the voluntary pension or to the employee's occupational pension, costs borne by the employer according to the law, as well as any other social benefits granted by the employer when they constitute advantages in money or in-kind granted or paid by the employer.

In the event of failure to comply with the obligation to provide the above information, the candidate or employee may submit a complaint to: (i) the Labour Inspectorate or the employer's own inspection bodies, or (ii) the competent court, and may claim compensation corresponding to the damage suffered.



## Additional information should be provided in the internal regulation

In addition to the current mandatory provisions, the internal regulations of employers will also need to include (i) rules on period notice, and (ii) information on the general training policy for employees, if any.

Employers will have to communicate the internal regulations to employees, either on paper or in electronic format, but it is important for the employer to be able to prove that it has been properly communicated.



### Further obligations for employers

In addition, Romanian legislation now includes the following new specific obligations for employers:

**a. Side employment**: employers are prohibited, apart from Romanian legal exceptions, from restricting an employee's choice of employment outside the working hours with that employer, or from applying any unfavourable treatment to the employee because of such different employment.

- c. Transfer to a more favourable form of employment: employees who have been working for the same employer for at least 6 months and who have finished their probationary period have the right to apply for a transfer to a vacant position offering more favourable working conditions. Consequently, the employer is obliged to respond to the employees concerned, in writing and giving reasons, within 30 days of receiving such a request.
- d. Increased protection against dismissal or adverse action, through: (i) the prohibition of dismissal or any adverse treatment of employees for having requested or exercised their legal rights or having initiated complaints or proceedings for the purpose of enforcing legal rights, and (ii) the right of the victim of adverse treatment to bring an action before the competent court for compensation and, where appropriate, for restoration of status quo ante.



### Our main recommendation for employers

In order to implement these new Romanian legislative amendments, employers will have to update their individual employment agreements, collective labour agreement, internal regulation and other relevant internal policies accordingly.

Given the vague and laconic nature of the new Romanian legal provisions, our recommendation is that the implementation of these changes should be carried out with increased attention in order to minimise the associated legal risks.



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