

LEGAL AND TAX ALERT, 20 July 2018

RULES ON INTERNSHIP

A newly adopted law on internship („Law no. 176/2018”) will enter into force¹ on 18 august 2018.

According to Law no. 176/2018, an internship may be performed only on the basis of an internship contract, concluded in writing by an individual who is at least 16 years old, as an intern, and a legal entity, as host organization, in Romanian language, no later than the day prior to the beginning of the internship, for a duration that may not exceed 6 months. The intern is under the coordination of a mentor / supervisor, performing his/her activity in consideration of a monthly remuneration of at least 50% of the national minimum basic gross salary.

The mentor / supervisor of the intern is appointed by the management of the host organization and is an employee with an experience of at least one year in the field of activity in which the internship shall be performed. The supervisor duties must be included in the job description of the supervisor and should be carried out within the regular working schedule of the supervisor.

At the end of an internship, the supervisor shall draft an assessment report, while the organization has the possibility to hire the intern based on an employment contract. If the host organization decides to offer and conclude an employment contract with the employee, the host organization may receive an employment incentive, provided that it maintains the employment relationships with the intern for a period of at least 24 months.

A host organization may conclude internship contracts for a number of interns that, at any moment in time, may not exceed 5% of the total number of employees of the host organization. Where the host organization has not more than 20 employees, it may conclude a maximum of two internship contracts, at any moment in time.

Failure to observe the provisions of Law no. 176/2018 may trigger administrative fines of up to RON 20,000 (approx. EUR 4,300.00).

Should you require any further information, please feel free to contact us:

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¹ The legal act was published in the Official Gazette of Romania no. 626 dated 19.07.2018.

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