

LEGAL & TAX ALERT, 17 November 2017

Romanian Government compels all employers to collectively negotiate the implementation of the new fiscal measures

During 20 November – 20 December 2017, all employers shall be compelled to initiate collective negotiations in order to implement the provisions of Government Emergency Ordinance No. 79/2017 for amending and supplementing Law No. 227/2015 regarding the Fiscal Code („GEO 79/2017”) which introduced, amongst others, fiscal measures with an impact on salary incomes¹.

Thus, by way of derogation from the provision of Law No. 62/2011 on social dialogue:

- (i) in case of units where there is no collective bargaining contract/agreement in place, employers are compelled to initiate collective negotiation, regardless of the number of employees, in order to implement GEO 79/2017;
- (ii) in case of units where there is a collective bargaining contract/agreement in place, employers are compelled to initiate collective negotiation of additional acts to the collective bargaining contracts and agreements, in order to implement GEO 79/2017.

As regards the collective bargaining partners for the purpose of fulfilling the aforementioned obligations, by way of derogation from the provisions of Law No. 62/2011 on social dialogue, where there is no representative trade union at the unit's level, it is stipulated that employees' representatives will participate during the negotiation of the collective contracts/agreement or the additional acts, and optionally the following may participate as well:

- (i) agents of the representative trade union federation in the business sector, if there is a trade union at the unit's level, based on the trade union's mandate;
- (ii) agent of a representative trade union federation in the business sector or of a representative trade union confederation at national level, if there is no trade union at the unit's level, upon the employees' representatives invitation.

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

Cristina Randjak

Managing Associate

cristina.randjak@bpv-grigorescu.com

¹ As per Government Emergency Ordinance No. 82/2017 for amending and supplementing certain legal acts, published in the Official Gazette of Romania No. 902 of 16 November 2017.

Iulia Dragomir

Senior Associate

iulia.dragomir@bpv-grigorescu.com

bpv GRIGORESCU ȘTEFĂNICĂ

33 Dionisie Lupu Street

RO - 020021 Bucharest

Tel. +40 21 264 16 50

Fax +40 21 264 16 60

Web www.bpv-grigorescu.com

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