

GMS Flash Alert



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Romania - COVID-19: Measures for Social Protection and Income Support

Measures for social protection and income support introduced by the Romanian government's Government Emergency Ordinance no. 30/2020 (GEO 30/2020) entered into force on 21 March 2020.¹ The measures are focused on supporting individuals and businesses, under certain conditions, experiencing a reduction in their income due to the restrictions imposed by the government in Romania to help prevent the spread of the coronavirus and COVID-19 in the country. In this *GMS Flash Alert*, we provide a high-level summary of the key measures introduced.

For the full report, see "GEO 30/2020 – Social protection measures during the state of emergency due to COVID-19," (22 March 2020), a publication of the KPMG International member firm in Romania.

WHY THIS MATTERS

These measures for social protection and income support in Romania are intended to help mitigate the financial challenges faced by households during the COVID-19 pandemic. As the economic toll of the COVID-19 outbreak mounts, Romania's government is taking steps to address the short-fall in income that people and businesses may be experiencing. Many of these measures may have tax, compliance, and process/administration implications.

Summary of Measures

These measures are discussed and explained in more detail in the aforementioned <u>newsletter</u> from KPMG in Romania; they include the following:

 the provision of the technical unemployment allowance which can be supported by the Unemployment Insurance Budget;

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- the granting of free paid days to parents for the purpose of child-care in the case of temporary closure of educational establishments;
- the possibility for individuals to use electronic mail as the main communication means with the social assistance-related authorities thus, individuals can submit online their applications and necessary documents for obtaining the social benefits mentioned in GEO no. 30/2020;
- the payment of the return to work incentive ("stimulent de inserţie") to all qualifying persons, for a continuous period of 90 days.

GEO no. 30/2020 also makes changes to GEO no. 158/2005 on medical leave and medical leave indemnities.

FOOTNOTE:

1 Government Emergency Ordinance no. 30/2020 (GEO 30/2020) has been published in the Official Journal of Romania, *Monitorul Oficial*, (no. 231/21.03.2020) and Government Decision no. 217/2020 on the application norms for Law no. 19/2020 on granting free paid days to parents for the purpose of child care in the case of temporary closure of educational establishments (GD 217/2020) has been published in the Official Journal of Romania, *Monitorul Oficial*, (no. 230/21.03.2020). The two legal texts have entered into force on their publication date, 21 March 2020. The *Monitorul Oficial* can be found at: http://www.monitoruloficial.ro

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Contact us

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The information contained in this newsletter was submitted by the KPMG International member firm in Romania.

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