



ESC - SI response to the crisis relating to covid-19 in the socio-economic and labor sectors through social dialogue

SURVEY

This questionnaire is structured in 5 sections (for national institutions), with examples of the points to be taken into account in their responses, if relevant.

A) Measures with regard to workers in the formal and informal economy

Have specific measures been discussed and taken, inside or outside your institution, to protect workers' health (new regulations, preventive guides, control and surveillance procedures, etc.)? Have practical problems arisen for their application (lack of adequate technical advice, difficulties in providing protective equipment, etc.)? Have measures been taken to strengthen the reconciliation of work and family life, such as the care of minors or dependents? What is / was the specific role and responsibilities of your CES / SI?

Many companies are facing difficulties. For example, Ford and Dacia plants temporarily suspended their activity and their employees were sent into technical unemployment. Moreover, the entire HoReCa industry (hotels, restaurants and catering, cafés, bars) experiences serious difficulty, especially following the decision to suspend food and beverage services in public places.

In a chain reaction, other activities in the field of HoReCa services, especially those that are not essential and for which the costs of keeping shops or units open are higher than those of moving businesses online or temporarily suspending them, have also been affected.

As a result of such decisions, the employees were sent into technical unemployment or were simply fired.

The government has tried to take measures to support companies in difficulty, precisely to avoid mass layoffs of employees, as follows:

- *non-commencement of enforcement proceedings for budget receivables,*
- *faster VAT refund,*
- *suspension of inspections and extension of the filing deadline for tax returns initially set for April 25, 2020.*

Also in support of those who lost their jobs, or went into technical unemployment, the Government decided that monthly payments due on loan agreements should be suspended starting with mid-March for a period of up to 9 months.

In support of family life, in the case of parents who could not work from home or could not use telework, paid parental leave was granted to one of the parents for the supervision of children, including during school holidays, in case of temporary closure of education units

and of pre-school education units, as a result of the state of emergency declared in accordance with the legal provisions. The extension of this period until the end of the school year is taken into consideration (Law 19/2020)

As of April 22, 2020, 1,025,188 employment contracts were suspended, of which: 327,092 contracts in the manufacturing industry, 118,634 in wholesale and retail trade / repair of motor vehicles and motorcycles, and 111,874 in hotels and restaurants.

On the other hand, 245,462 employment contracts are terminated, of which: 46,175 in wholesale and retail trade / repair of motor vehicles and motorcycles, 42,875 in the manufacturing industry and 33,159 in construction.

In order to avoid a worsening of the situation, the Prime Minister of Romania declared that the Romanian enterprises affected by the crisis would receive aid from the state, more precisely, after companies were no longer subject of the operating ban, the state would pay part of the salaries of the employees returning to work from technical unemployment.

In the context of the increasing spread of the Covid-19 virus in Romania, in order to ensure a balance between protecting health and reducing the economic and social impact, employers and employees have agreed that the latter should work from home or use telework, where possible. Both Labor Code and Law 319/2016 on safety and health of workers at work provide a legislative framework that allows employers, in the context of the Covid-19 pandemic, to take measures to protect the health of their employees.

B) Measures with regard to companies, in particular micro, small and medium-sized enterprises as the engine of employment

Has aid been discussed and developed within or outside your institution, to compensate for losses, and / or to improve financing, corporate taxation (credit lines, etc.) or reduce their costs (postponement or exemption from social or tax charges...)? Have specific measures been taken for SMEs, self-employed people or the social economy? What is / was the specific role and responsibilities of your ESC-SI?

Here are some of the measures adopted:

1. Increasing the loan guarantee ceiling for SMEs through the Guarantee Fund by approximately 15 billion lei. Basically, loans for investments and working capital insurance are guaranteed. Interest on both products is one hundred percent subsidized.

The guarantee also works for 90% of loans, in the case of loans up to one million, and will cover 80% of the loans over one million.

2. Interest and delay penalties shall not be calculated and shall not be due, according to the Fiscal Procedure Code, for fiscal obligations due starting with the date of entry into force of Government Emergency Ordinance no. 29/2020 and not paid until the cessation of these measures.

3. *The fiscal obligations due starting with the date of entry into force of Government Emergency Ordinance no. 29/2020 and not paid until the cessation of these measures are not considered outstanding fiscal obligations, according to the provisions of the law.*

4. *The measures of enforcement, by summons, seizure and capitalization of the goods at auction, of the budget receivables, of the foreclosures that are applied for the recovery of the budget receivables established by court decisions in criminal matters shall be suspended or not initiated.*

5. *No interest and penalties shall be calculated and charged, in accordance with the Fiscal Procedure Code, for late instalment payment within instalment schedules until the expiry of the 30-day period from the end of the state of emergency. In this case, the competent fiscal body, ex officio, redraws the instalment schedule, in compliance with the approved scheduling period. The new instalment schedule is communicated to the debtor by the decision of the fiscal body.*

6. *The conditions for maintaining the validity of the instalment payments granted according to the law are suspended. These conditions are considered fulfilled if the debtors pay the related obligations within 30 days from the end of the period of application of these fiscal measures.*

7. *For the obligations that represent a condition for maintaining the validity of the payment facilities, the taxpayers may request the modification of the payment schedule, provided that the application is submitted until the deadline of the term mentioned in point 5, the provisions of Art. 195 of the Fiscal Procedure Code being applied accordingly.*

8. *Budgetary obligations which are a condition for maintaining the validity of payment facilities, including those contained in the instalment schedules, shall not be considered outstanding fiscal obligations.*

9. *Extension of VAT refund with subsequent control.*

10. *The limitation periods for the right of the tax authority to establish tax claims and to request enforcement, as well as that of the taxpayer / payer to request the refund of tax claims, provided by the Tax Procedure Code, shall be suspended or shall not begin to run until the expiration of the 30 day-period from the cessation of the state of emergency.*

The above-mentioned fiscal measures shall apply during the state of emergency and 30 days after its cessation.

11. *A calculated rebate is granted on the income tax if taxpayers pay the income tax due for the first quarter of 2020 until the due date of 25 April 2020. The bonus is 5% for large taxpayers and 10% for medium and other taxpayers.*

12. A bonus of 10% calculated on the tax due for the first quarter of 2020 is granted for the payment of microenterprise income tax for the first quarter of 2020, up to 25 April 2020.

13. Taxpayers obliged to pay a tax on specific activities, according to Law no. 170/2016 regarding the tax on specific activities, for 2020, do not owe a specific tax for the period in which they interrupt their activity totally or partially during the declared state of emergency.

14. For the submission of the annual financial statements related to the financial year 2019, respectively of the annual accounting reports concluded on December 31, 2019, the deadlines provided in art. 36 para. (1) and (3), respectively art. 37 of the Accounting Law no. 82/1991, republished, with subsequent amendments and completions, are extended until July 31, 2020.

15. The deduction of the amounts representing sponsorships to public institutions and other bodies of the public authority from the microenterprise income tax, within the limit provided by the normative act, is made based on the sponsorship contract, without the obligation to register the respective beneficiary entities for which tax deductions are granted.

16. No effective payment is made to the customs authorities by taxable persons registered for VAT purposes in accordance with the Fiscal Code, who import, during the period for which the state of emergency has been established and within 30 days after its cessation, medicines, protective equipment, other medical devices or equipment and medical devices which may be used in the prevention, limitation, treatment and control of COVID-19, as set out in the Annex, which forms an integral part of the Emergency Ordinance.

17. Modification of the method for calculating prepayments for corporate taxpayers applying the annual system of payment of prepaid corporate tax, in order to establish their level at the value established on the basis of the current quarterly calculation, compared to one quarter of the previous year's tax (updated with the estimated consumer price index when preparing the initial budget for the year for which advance payments are made), to correlate the tax burden with the revenues reduced due to the total or partial closure of activities by affecting the economic environment Covid-19 pandemic.

Reference: <https://www.profit.ro/taxe-si-consultanta/anaf-lista-cu-masurile-pentru-sustinerea-mediului-de-afaceri-19334010?source=biziday>

18. During the state of emergency, small and medium-sized enterprises, as defined by Law no. 346/2004 on stimulating the establishment and development of small and medium-sized enterprises, with subsequent amendments and completions, which interrupted their activity totally or partially based on the decisions issued by the competent public authorities, according to the law, during the declared state of emergency and holding the certificate of emergency issued by the Ministry of Economy, Energy and Business Environment, benefit

from the deferral of payment for utility services - electricity, natural gas, water, telephone and internet services, as well as from the deferral of payment of rent for the building used as head office and as secondary offices.

Reference: Emergency Ordinance no. 29/2020 on some economic and fiscal-budgetary measures

C) Measures with regard to the economy to mitigate the bad impacts on employment

Have measures been discussed and taken to protect employment inside or outside your institution (incentives to use measures to suspend contracts instead of dismissals, limitations on the possibility of dismissing?) Has teleworking been extended? Did any difficulties arise in its implementation? Have specific measures been taken for particularly disadvantaged groups in areas such as housing, health care, social benefits...? Have debates been opened in the political or scientific field on measures to revive the economy? What is / was the specific role and responsibilities of your ESC-SI?

(The source of information is, among others, the IMF special site: <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19>)

An important measure, in this sense, is to ensure the payment of technical unemployment, from the budget of the Ministry of Labor through ANOFM unemployment budget.

In the current context, in which many companies are directly or indirectly affected by the pandemic and many companies do not have capacity because their revenues and their turnover have been reduced, they do not have the necessary revenues to ensure the payment of their employees' salaries and there is a risk that employees will be laid off, dismissed due to force majeure or will have their employment contracts suspended.

There are two categories of employers:

➤ *The first category of employers is the one that was directly affected by the restrictive measures that were ordered by the authorities during the state of emergency, for example, hotels, restaurants, cafés, entertainment institutions, which had to suspend their activity during the state of emergency. Basically, these employers, these companies or other categories of employers, as a result of the restrictive measures adopted by the authorities, clearly cannot pay their employees because they have temporarily, totally or partially interrupted their activity. As such, the employees of these companies will benefit from the payment of the indemnity for technical unemployment, of 75%.*

➤ *The second category includes companies that have not been directly affected by the restrictive measures ordered by the authorities to reduce the risk of spreading the epidemic, but have been affected by various consequences of the coronavirus epidemic. In order to benefit from this payment for the employees whom they can no longer afford to pay, as a result of their reduced activity, companies will have to submit a declaration on their own responsibility, and the condition of granting the aid is the reduction of their income and of their turnover by at least 25%. This measure was also adopted due to the current context. If an active measure had been chosen to support the payment of a salary in percentage, through an active measure from the unemployment fund budget, the*

obligation of the employees to go to work and thus to get into contact with one another would have been established. At the moment, it is much more useful to pay this technical unemployment, not forcing employees to go to work and giving them the opportunity to stay at home and avoid social contacts that could increase the risk of contamination.

In the context of the increasing spread of the Covid-19 virus in Romania, in order to ensure a balance between protecting health and reducing the economic and social impact, employers and employees have agreed that the latter should work from home or use telework, where possible. Both the Labor Code and Law 319/2016 on safety and health of workers at work provide a legislative framework that allows employers, in the context of the Covid-19 pandemic, to take measures to protect the health of their employees.

D) Advocacy for the optimal use of social dialogue in response to the Covid-19 crisis: transparency, share information and data, inclusion, consultation, mutual trust

Is your ESC-SI working on the formulation of responses to the Covid-19 crisis? (analyzes, reports, declarations, dissemination of information on the measures being adopted, etc.)? What is / was the specific role and responsibilities of your ESC-SI?

Do the social partners participate in the procedures for developing the measures adopted with regard to Covid-19? How do they do it (social agreements, joint declarations, consultation of governments, dissemination of information to their members ...)? Does the role that social dialogue should play appear in the proposals for alternatives to economic recovery?

Is there particular attention paid to vulnerable and / or poorly organized groups, such as informal workers, precarious workers, self-employed workers, migrants, workers in gig economy...

What are the bipartite or tripartite collective agreements (company, sector, regional, etc.) concluded specifically to respond to the crisis relating to covid-19?

In the context of the state of emergency established on the entire territory of Romania by Decree no. 195/2020, the Government tried by GEO 34/2020 art. 33.1 to restrict the constitutional right to debate normative projects establishing measures applicable during the state of emergency, which contradicts the Romanian Constitution, Law 248/2013, Labor Code, but also Law no. 62/2011 on social dialogue.

The Economic and Social Council expressed its point of view regarding the limitation of its role as an advisory body of the Romanian Parliament and Government, a role enshrined in the Constitution, and has adapted to the state of emergency by reducing the deadlines for debate on legislation on decision-making transparency and social dialogue.

The Economic and Social Council also continued the process of disseminating information to the social dialogue partners on the measures taken by the Government / Parliament to respond to the COVID-19 crisis.

E) Ensure the continuity of the work of the ESC-SIs: planning and implementation of internal activities (health, safety at work, working conditions, IT services, teleworking, job protection, etc.) to covid-19 and its consequences.

Have measures been taken to continue the activity of the Council, in particular those on risk prevention but also in the field of formulating responses to the crisis, networking of different key players, and / or studies / the survey, the research?

In accordance with the provisions and recommendations of the military ordinances issued during the state of emergency declared in Romania, the Economic and Social Council took measures to continue its activity and, at the same time, to prevent the spread of COVID-19. The ESC Plenum continues its activity from home, the draft normative acts being sent by e-mail to the Plenum members who express their vote also by e-mail. As for the Technical Secretariat, the Secretary General is present in the workplace, and where possible, employees work from home. Within the departments where it is necessary to work in the workplace, measures have been taken so that, where possible, part of the employees work in turn one day in the workplace and one day from home, and part of the employees work only in the workplace. The institution ensures the permanent disinfection of all spaces and surfaces in order to offer, as much as possible, a healthy work environment under the given circumstances.

F) Initiatives at regional level (only for the attention of regional associations)

Please share regional initiatives such as information sharing, data collection, case study analysis, formulation of joint statements and / or recommendations, etc.

ANNEX

Explicative note

The questionnaire is structured in 5 sections (for national institutions). Below are examples of points to consider in your response, if relevant to your institution's situation. This note aims to facilitate your answers, by developing as an example, some elements to take into account in your answers.

In each section, please also take into account the following cross-cutting topics in your response:

- **Inclusion and commitments of social partners:** workers and employers organizations in debates and formulation of opinions / recommendations on social, economic and labor market policies
- **Inclusion and commitments of vulnerable groups** (women, young people, precarious workers, informal workers or those with an atypical contract, free-lancers, self-employed, etc.) in the debates, the formulation of opinions / recommendations and political responses
- **Key economic sectors:** health, transport, catering, tourism, agriculture, retail, function and public service, textiles, cars, etc.
- **Studies, research, surveys, evaluations** on the impacts of covid-19 on social economic and labor levels launched by the competent authorities, social partners, etc. (by whom, on what and when?)

Please share all documents already written / published in areas A, B, C, D E and F (for regional groupings)

Finally, as much as possible, please give concrete examples of the roles and responsibilities that your institution plays or have played. Share challenges but also successes.

A) Measures with regard to workers in the formal and informal economy

- Are there regulations on the prevention of occupational risks by biological agents? Do these standards have an international origin (conventions, directives...)?
- Have new regulations on the health protection of workers been introduced in this specific hypothesis?
- Have specific preventive instructions or guidelines been prepared to apply the regulations?
- Have specific mechanisms for monitoring and controlling preventive measures been put in place?
- Were there any practical problems to apply these preventive measures, for example linked to factors such as the size of the companies, the lack of adequate technical advice or difficulties in obtaining the appropriate safety equipment? What kind of difficulties?
- What is the situation of workers on sick leave due to infection or under observation due to the risk of contagion in terms of sickness benefits? Is there a specific advantage or regulation?
- Do measures of activities closure, such as educational activities, and those of social isolation generate new needs for the care of minors or dependent persons? Have new formulas to reconcile work and family responsibilities been introduced (permits,

agenda adaptations, etc.)? If these formulas lead to a reduction in hours and wages, are there compensations for workers?

- For those working in firms that cannot continue their activity due to this health crisis, have specific social protection benefits been established or have the conditions of access to existing benefits been modified to facilitate their perception?
- To what level do the above-mentioned protective measures apply to the self-employed?
- Has the situation of workers such as migrants or frontier workers been taken into account in these measures?
- With regard to health care, have rules been established to facilitate access for workers who did not have their coverage?

B) Measures with regard to companies, in particular micro, small and medium-sized enterprises as the engine of employment

- Have specific formulas been established to promote liquidity and access to credit for businesses? What role does public credit play in these measures and in international organizations and institutions?
- Have formulas been established to reduce or facilitate the payment of taxes and social contributions (deferrals, exemptions or reductions, deferrals of tax debts, etc.)?
- Have formulas been established to reduce or facilitate the payment of basic supplies for businesses (energy, etc.)?
- Have specific measures been established for the sectors most affected by the cessation of activities?
- Have specific measures to reduce business costs (for example, social security contributions) been established for companies which do not reduce employment (for example, because they use measures to suspend contracts instead layoffs)?
- Are there special regulations for areas such as SMEs, the self-employed or the social economy?

C) Measures with regard to the economy to mitigate the bad impacts on employment

- When defining the restricted business activities to assist in containment, were specific measures taken to maintain essential activity to resume normal activity or to encourage such resumption?
- Have measures been taken to prevent the economic turbulence resulting from the health crisis from being used to destabilize the position of companies by speculative maneuvers (for example in the financial markets)?
- Does your government act within the framework of international or regional institutions to encourage the adoption of measures to protect and revive economic activity and employment? What is the response of these institutions?
- Are proposals made in the political field (parliament, political parties, etc.) for the revival of activity after the health crisis? What about scientific proposals?

- Have measures been taken to promote continuity of employment during the crisis, both in terms of control (limiting the possibilities of dismissal) and promotion (financial aid to companies which resort to contract suspensions rather than layoffs)?
- Is teleworking used more widely than before as a form of maintaining business and employment? Did technical or organizational problems emerge during implementation?

D) Advocacy for the optimal use of social dialogue in response to the Covid-19 crisis: transparency, share information and data, inclusion, consultation, mutual trust

- Is your ESC-SI working to formulate responses to the covid19 crisis? (analyzes, reports, declarations, dissemination of information on the measures being adopted, etc.)?
- Do the social partners participate in the procedures for developing the measures adopted with regard to Covid-19? In what way (social agreements, joint declarations, consultation of governments, dissemination of information to their members ...)? Does the role that social dialogue should play appear in the proposals for alternatives to economic recovery?
- Is there particular attention given to vulnerable and / or under-represented / organized workers groups, such as informal, precarious, self-employed, migrant workers, in gig economy, etc.
- What are the bipartite / tripartite collective agreements (at firm, sector, provincial, etc.) concluded specifically to respond to the crisis relating to covid-19?
- Have specific measures for vulnerable and / underorganized / represented groups been taken for these social groups which may be particularly affected by the health crisis due to their socio-economic situation or their work status, their access difficulty with social benefits? For example:
 - o Inclusion and engagement of these groups in the debates and the formulation of responses to the crisis
 - o Measures to preserve housing (postponement of evictions, extension of rents, moratorium on the payment of rents ...).
 - o Measures to ensure basic supplies, such as water or electricity (deferral of payments, etc.).
 - o Postponement of payment of credits (mortgages)
 - o Facilitate access to health services, specific social services for people particularly affected by travel restrictions (home care, food, etc.).
 - o Specific social benefits for people who cannot meet the general requirements of the system (basic income, etc.).

E) Ensure the continuity of the work of the ESC-SIs: planning and implementation of internal activities (health, safety at work, working conditions, IT services, teleworking, job protection, etc.) to covid-19 and its consequences.

- Have measures been taken to continue the activity of the Council, in particular those on risk prevention, health, safety at work, working conditions, IT system (teleworking), job protection, etc.) in the face of covid-19 and its consequences.
- Globally speaking, what is the degree of involvement of your institution in the field of formulating responses to the crisis, networking of different key players, and / or studies / surveys, research,

- Has your Institution produced reports on the effects of the health crisis (analysis of the situation, of measures adopted by the public authorities, institutional declarations, recommendations for the protection of health, etc.)?
- What is the operating situation of the Council? Do you do teleworking, virtual meetings...? Have you adopted measures to protect the health of those who work at the Council?
- Do social workers and representatives of civil society participate in the process of developing measures adopted by the public authorities?
- Have the social partners adopted measures linked to this crisis in the area of social dialogue and collective bargaining?
- Have the social partners, individually or jointly, made proposals for measures to the public authorities?
- Have social workers prepared documents such as preventive guidelines, reports to facilitate the application of the new measures ...?
- Do the social partners in your country participate in initiatives developed internationally?

F) Initiatives at regional level (only for the attention of regional associations)

Please share regional initiatives such as information sharing, data collection, case study analysis, formulation of joint statements and / or recommendations, etc.

Of course, your concerns, suggestions on other points that have not been covered are also very welcome.