

# Review

A regular update on developments

ALLEN & OVERY

RTPR

## Legal Update

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### SPEED READ

Key points introduced by Law no. 176/2018 regarding internship programmes:

- ✓ **New rules regarding the internship activities organised by legal persons**
- ✓ **Implementation of a new *internship agreement for the internship activity***

This paper provides a brief overview of the new legal framework governing internship programmes. Law no. 176/2018 regarding internship programmes (the **Law**) was published in the Romanian Official Gazette no. 626 of 19 July 2018 and it shall come into force 30 days after its publication.

### 1. RULES REGARDING THE ORGANISATION OF INTERSHIP PROGRAMMES

According to the new legal provisions, any legal person which organises an internship programme (the **Host Organisation**) shall appoint an internship mentor (from its employees) who can coordinate and supervise up to three interns simultaneously. If the Host Organisation carries out internship programmes with more than 12 interns simultaneously, then it is legally required to appoint a coordinator of the internship programmes.

The Host Organisation will be able to conclude simultaneously internship contracts for a number of interns which cannot exceed 5% of the total number of its employees. If the Host Organisation has up to 20 employees, it cannot conclude

simultaneously more than 2 internship contracts.

Host Organizations which conclude an individual employment contract with the intern within 60 days from the end of the internship programme will receive, upon request, a bonus for employment promotion amounting to RON 4,586 (approximately EUR 991) for each person employed as a result of an internship, provided the employment relationship is maintained for an uninterrupted period of at least 24 months.

Also, the Law includes an appraisal procedure for the intern's activity which involves (i) drafting an appraisal report and (ii) granting a grade for the activity carried out by the intern. The latter has the possibility to challenge the appraisal report to the superior of the mentor/coordinator of the internships programmes.

Concluding an internship contract for the purpose of avoiding the conclusion of an individual employment contract shall be null and void.

### 2. RULES REGARDING THE INTERSHIP CONTRACT

In order to organise and carry out internship programmes, the Host Organisation is required by Law to conclude an internship contract (template to be approved by order of the Minister of Labour and Social Justice), in written form and in the Romanian language. The intern must be at least 16 years old. By way of exception, any person over the age of 15 can conclude an internship contract, only with the consent of his/her parents or legal representatives.

Such contract can be concluded for a maximum period of six-months and the period in which the activity is performed under the internship contract gives length of service to the intern.

The Host Organisation carrying out the internship programme has the obligation to transmit the internship contract related data no later than the last working day prior to the start of the internship, in the electronic register of internship contracts which will be set up by the county employment agencies.

The maximum legal length of the working time may not exceed 40 hours per week (except for the internship contracts concluded with individuals under the age of 18 where the maximum working time cannot exceed 30 hours per week, and no more than 6 hours per day). Also, the Host Organization has the obligation to keep track of the time in which the intern carries out his/her activity and to present this situation to the inspection bodies whenever it is requested.

The intern cannot perform activities or fulfil duties which are not related to his/her theoretical and practical training, as detailed in the internship agreement.

The Law requires that the Host Organisation shall grant to the intern an allowance of at least 50% of the gross national minimum wage, subject to income tax. Failure to comply with the minimum remuneration right of the intern may be sanctioned by a fine ranging from RON 2,000 (approximately EUR 432) to RON 4,000 (approximately EUR 864).

## KEY CONTACT

*If you would like to discuss the issues raised in this paper in more detail, please contact any of the below named individuals or your usual RTPR Allen & Overy contact.*



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