



EMECs Country report

Romania

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The opinions hereby expressed reflect only the authors' view.

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Introduction

This report was produced as part of the 'European market environment in the construction sector - Enhancing the free movement of posted workers in EU' project (EMECs), co-funded by the European Commission, and addressing the impact of the COVID-19 pandemic on mobility, working conditions and social protection of posted workers in the construction sector.

By means of a set of research and mutual learning activities, the project aims at delivering proposals to better support posted workers in case of future pandemics.

The report is part of a series addressing the different countries covered by the project, namely: Germany, Italy, Spain, Poland, Portugal, and Romania.

The study combines desk research with interviews to stakeholders to provide a sound background information for the rollout of the project.

More specifically, following a common questionnaire, the report departs from contextual information, addressing measures restricting free movement of workers and production, to detail: the actual impact of the pandemic on posting as per available figures and evidences; problems encountered by companies involved in posting (e.g. in arranging mobility of workers or in providing adequate accommodation); problems encountered by posted workers (e.g. remaining blocked in the host country or facing difficulties in accessing social benefits and aids); evidences of COVID-19 outbreaks in construction sites, including related information on geographical areas affected and involvement of posted workers.

The Annex provides the list of interviewees referred in the text.

Contextual information

The COVID-19 pandemic caused deep uncertainty on the Romanian labour market in 2020 and resulted in a reconfiguration of working conditions. To survive in the restricted conditions imposed by the pandemic situation, most businesses were forced to adapt themselves and adopt solutions overnight that fit to the emerging trends.

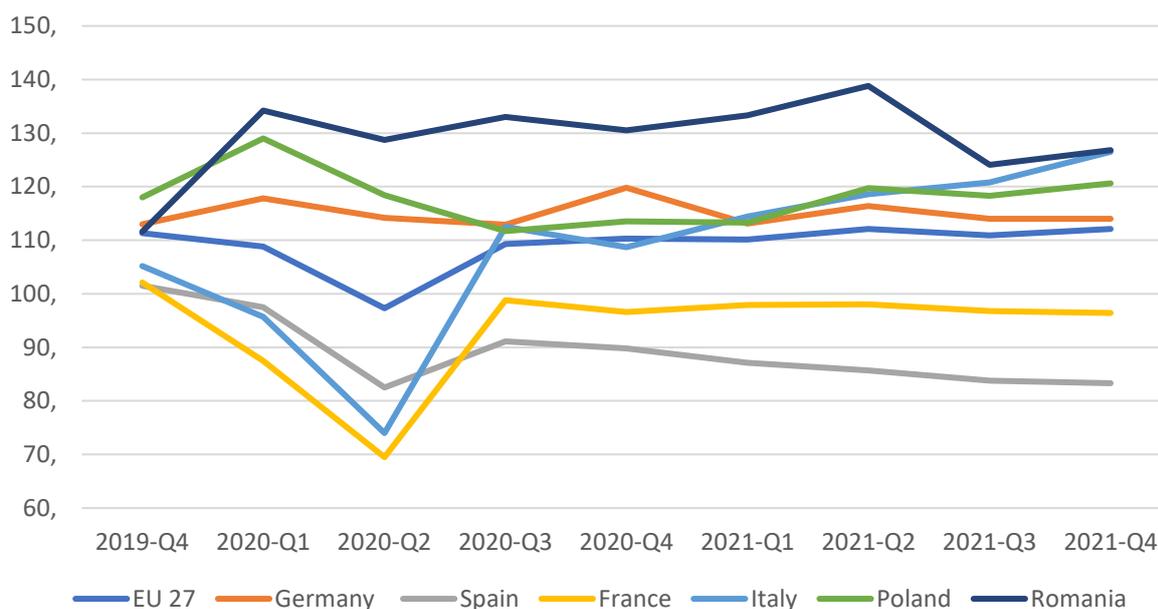
The pandemic did not have a large negative impact on employment and wages, mainly because of the measures taken by the state to support the economy in general and the labour market in particular.

In this context, the construction sector in Romania, which started to grow steadily since 2019, after the introduction of fiscal facilities for firms and employees in the field, is one of the few sectors that showed growth during 2020. According to the Romanian National Institute of Statistics, in 2020, the total volume of construction works increased by 16% compared to 2019, whereas, at European level, the results indicate a decrease of the sector during 2020.

Considering the quarterly volume of production in the construction sector, the Eurostat data in the chart below¹ indicate that the Romanian construction sector suffered less than those of other EU Member States, showing a marginal dip during Q2 2020, but a recovery during Q3 and an ascendent trend during the first 2 quarters of 2021, before a decline towards the end of 2021 caused mainly by the significant increase of prices for construction materials.

¹ [https://ec.europa.eu/eurostat/databrowser/view/STS_COPR_Q\\$DEFAULTVIEW/default/table](https://ec.europa.eu/eurostat/databrowser/view/STS_COPR_Q$DEFAULTVIEW/default/table)

Fig. 1. Production in construction (2015=100)



Source: Eurostat

Large construction companies have been favoured during the pandemic period on the Romanian market in terms of profitability, to the detriment of Small and Medium-sized Enterprises (SMEs), through easier access to public and private contracts, but especially in terms of financing. Aid measures for SMEs were limited (as in many other European countries) to accessing state aid schemes such as technical unemployment or guarantees to facilitate bank lending.

During the pandemic, construction companies called for help to the sectoral paritarian institution, Casa Socială a Constructorilor (The Builders' Social House). Through this institution, during 2020, whenever it was not possible to continue works, employees benefited for 75% of their salary. The sick leave was 100% supported by the state. Also, construction companies had access to governmental subsidies dedicated for technical unemployment, but they did not use this instrument at large scale, as no major interruptions were reported.

With regards to the mobility of workers during the pandemic period, the *Guidelines concerning the exercise of the free movement of workers during COVID-19 outbreak*² released by the European Commission in March 2020 (C 1021/ 03) called for a coordinated approach at EU level, so the frontier workers, posted workers, as well as seasonal workers could continue to cross the internal borders in order to perform their work duties in the host country. These guidelines have been released in the context of the 2020 COVID-19 crisis when EU Member States have taken various control measures, including the reintroduction of checks at their internal borders. These guidelines highlight the importance of preserving the free circulation of mentioned categories of workers, particularly if exercising occupations classified as 'critical' (the construction works are not listed though as such an occupation). They also advice that Member States should allow frontier and posted workers to continue crossing their borders to their workplace if work in the sector concerned is still allowed in the host Member State and that health screening for frontier and posted workers must be carried out under the same conditions as for nationals exercising the same occupations. Member States should

² <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:C:2020:1021:FULL&from=EN>

also communicate to the employers the necessity to provide for adequate health and safety protection.

At national level, in Romania a series of measures have been taken starting with the first quarter of 2020 to limit the effects of the pandemic³. Before the introduction of the state of emergency (on 16 March 2020), specific measures were taken through Decisions of the Emergency Department and Decisions of the National Council for Special Emergency Situations. From the measures restricting the movement of population (including workers) within the country and abroad we mention:

- Persons in self-isolation at home (14 days isolation period) are prohibited from leaving the country even if they have purchased tickets;
- Suspension of road and rail transport for passengers to and from Italy until 31 March 2020;
- Public institutions and economic operators will analyse and implement, as far as possible, the work from home for some of their staff;
- Isolation of 14 days at home for citizens arriving in Romania from countries where over 500 COVID-19 cases were registered;
- temporary closure - total or partial - of several state border crossing points.

Between 16 March 2020 – 14 May 2020 Romania had been under state of emergency due to the COVID-19 pandemic. During this period, the main measures related to the pandemic have been taken by Military Ordinances (12 ordinances in total).

The main measures to impact the mobility of population (including workers) within the country and abroad, included in the above-mentioned ordinances, are listed in the table below.

Table 1. Main measures introduced in Romania to tackle COVID-19 by period

Period	Measures
14.03.2020 – 24.03.2020	<ul style="list-style-type: none"> - Suspension of flights to / from Spain (flights to / from Italy continue to be suspended); - Establishment of home quarantine rules in case of illness / contact; - Prohibition of people traveling at night (22:00-06:00) – with a list of limited exceptions (to be described within a written self-declaration); - Recommendation for day trips only for well-founded reasons (including essential professional activities, which cannot be delayed and cannot be carried out online); - Limitation on the number of people travelling together (less than 3); - Closing of malls and shopping centres, restrictions on events activities etc.
24.03.2020- 09.04.2020	<ul style="list-style-type: none"> - On 24 March Romania enters a total quarantine state (enforced by the Military Ordinance no. 3). However, travel from home to work and back is permitted on the basis of a letter/certificate obtained from the employer; - Flights to and from France and Germany are suspended for a period of 14 days; - Those who leave the quarantine place will be quarantined for another 14 days will face fines and will be criminally liable;

³ <https://stirioficiala.ro/hotarari?page=18>

	<ul style="list-style-type: none"> - Flights to and from Spain and Italy are suspended for further 14 days starting with 6 April; - Quarantine declared for the municipality of Suceava and the neighbouring area formed by the towns of Adâncata, Salcia, Ipotești, Bosanci, Moara, Șcheia, Pătrăuți and Mitocu Dragomirnei. Entering/leaving the quarantined area is only for the transport of goods and supplies for the quarantined population. Commercial flights flying from/to Suceava international airport are also suspended; - Total quarantine for Țândărei city, Ialomița county; - Suspension of commercial flights, but also road transport of persons to and from Austria, Belgium, Switzerland, Great Britain, USA, Iran, Netherlands, Turkey and Iran, for a period of 14 days starting with 5 April; - Road transport to Italy, Spain, France, Germany, Austria, Switzerland, the Netherlands and Turkey is suspended for the entire period of the state of emergency.
09.04.2020- 27.04.2020	<ul style="list-style-type: none"> - Cross-border workers who, when entering Romania from Hungary or Bulgaria, do not show symptoms of COVID-19 are exempted from home isolation or quarantine measures. Cross-border worker means a person who proves that he/she lives and works within a radius of 30 km on either side of the Romanian-Hungarian state border, and who returns home at least once a week; - Charter flights are allowed for seasonal workers; - The temporary closure - total or partial - of several state border crossing points is extended; - The suspension of flights to and from Italy, Spain, France, Germany, Austria, Belgium, the Swiss Confederation, the United States of America, the United Kingdom of Great Britain and Northern Ireland, the Kingdom of the Netherlands, Turkey and Iran is extended in successive waves until 14.05.2020.
28.04.2020- 14.05.2020	<ul style="list-style-type: none"> - The quarantine is lifted from the municipality of Suceava and its surrounding towns after more than 40 days, and from the city of Țândărei (after more than 30 days).

On 15 March 2020, the Romanian authorities decided not to extend the emergency state, declaring instead a *state of alert*, which lasted almost 2 years, until 8 March 2022. During this time-frame there were five pandemic waves in the country, which imposed various sanitary protection measures.

Construction companies have complied with the measures imposed by the authorities, carrying out a series of actions such as: drawing up employee certificates so they can move freely for work purpose, ensuring sanitary products, isolation conditions for workers with symptoms of COVID-19 and testing conditions, informing employees about the protection measures provided by the employer, providing thermometers on construction sites and in order to monitor the temperature of employees, limiting the number of people traveling in the same car from 5 to 3 when moving workers from one construction site to another, placing signs with hygienic-sanitary measures at the entrance to the construction sites. Even if they were imposed different fines on construction companies, these measures are considered to have marginal negative impact on the sector during the pandemic.

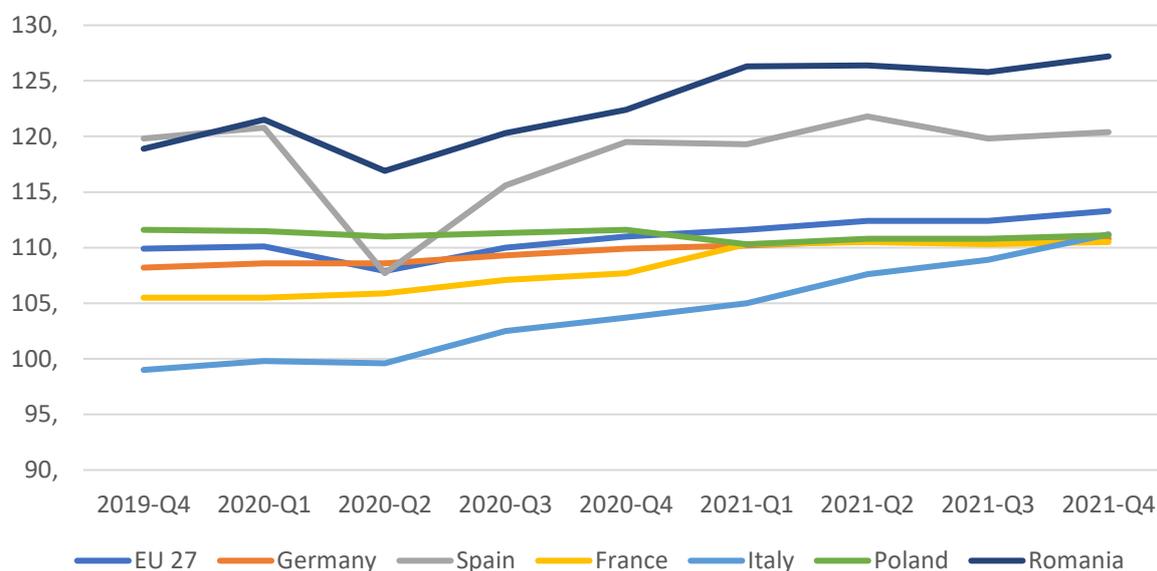
At national level, the travel restrictions (with the limited exceptions of the quarantined cities/ areas mentioned above) however allowed the mobility of employees and did not negatively impact the employment rate at national level during 2020 – for companies acting at national level. Companies with transnational activities interrupted their activities abroad, mainly because of costs related to the 14 days quarantine rule. At European level special corridors for workers were organized, but most persons interviewed for the EMEcs project were not aware of them.

Although according to Eurostat data⁴ between 2% and 3.5% of Romanian employees lost their jobs in the Q2 of 2020, according to the data provided by the National Institute of Statistics, the employment rate in Q3 2020 was only slightly lower than in Q3 2019 for most age categories (52.6% in Q3 2020 compared with 53.6% in Q3 2019). In terms of earnings, there was an 8.4% increase in average net nominal earnings in December 2020 compared with December 2019.

However, in terms of the duration of the working week, there were large differences between 2019 and 2020. In Q2 2020 (when the state of emergency was introduced in Romania), 11.91% of people worked for less than 11 hours per week, whereas in Q2 2019 only 1.72% of people worked for less than 11 hours per week. According to Eurostat data, between 10% and 15% of local economy employees say their work schedule has shrunk in Q2 2020. The percentage of those working 40 hours or more was 78.28% in Q2 2020 compared with 91.62% in Q2 2019.

The number of people employed in the construction sector also suffered a dip during Q2 of 2020 in most of the EU member states, Romania being one of the countries where such trend was noticeable (as evidenced by the Eurostat data presented in the chart below). However, the recovery started as early as Q3 2020 and was rather rapid. In Q4 2020 the levels of employment in the construction sector in Romania already surpassed those from Q1 2020.

Fig. 2. Employment in construction (no. of persons employed in 2015=100)



Source: Eurostat

Data provided by the National Office of the Trade Register show that the number of employees in the construction sector in 2020 in Romania increased by 8% compared to 2019, marking a record of the

⁴ [https://ec.europa.eu/eurostat/databrowser/view/STS_COLB_Q\\$DEFAULTVIEW/default/table](https://ec.europa.eu/eurostat/databrowser/view/STS_COLB_Q$DEFAULTVIEW/default/table)

last decade and reaching 416,000 employees. This number is confirmed by the stakeholders participating in this study.

The interviewees estimated a number of 10,000 foreign workers in Romania this year and 20,000 in 2021 and 2020. However, during the pandemic they were not reported new significant arrivals of foreign workers in Romania. And according to the stakeholder, there is an extra need for 250,000 workers in the construction field.

The impact of restrictions on the posting of workers

The most limitative measures were undoubtedly those taken during the emergency state period (16 March 2020 – 14 May 2020), when international travel suffered severely, with flights, road or rail travel suffering from suspensions towards and from a significant number of states (as detailed above), when border crossing points have been closed permanently or temporarily, increasing the pressure on the fewer functional crossing points. As a result, long queues have formed at border crossings, particularly with Hungary, which is on the main route for Romanian citizens returning home from the Central and Western Europe. The mobility phenomenon was significant particularly during the first part of the pandemic, with tens of thousands of Romanians fleeing from the risk of being quarantined abroad (first in Italy, and then in other European countries with important representation of workforce of Romanian origin).

Distinguishing between the posted workers (in construction or other domains) and the rest of Romanian workers working abroad partaking in the movement mentioned above is very difficult. The one thing that can be mentioned though is that posted workers form a very small fraction from the total of Romanian working in other European states. In 2020, Romanian citizens of working age (20-64) residing abroad within the EU accounted for about a fifth (18.6%) of the population residing in Romania, making them the largest national group among EU mobile citizens. Overall, EU mobile citizens accounted in 2020 for 3.3% of total EU resident population, which was 0.9 pp more than in 2010.

When looking at absolute figures⁵, in 2020 the most numerous national groups of mobile EU citizens aged 20-64 were those from Romania (2,300,100 persons), Italy (1,027,800 persons), Poland (1,005,500 persons) and Portugal (679,600 persons). Over the last decade, when looking at the percentage increase of EU mobile citizens as a share of the resident population of their country of citizenship, Romanians remained at the forefront.

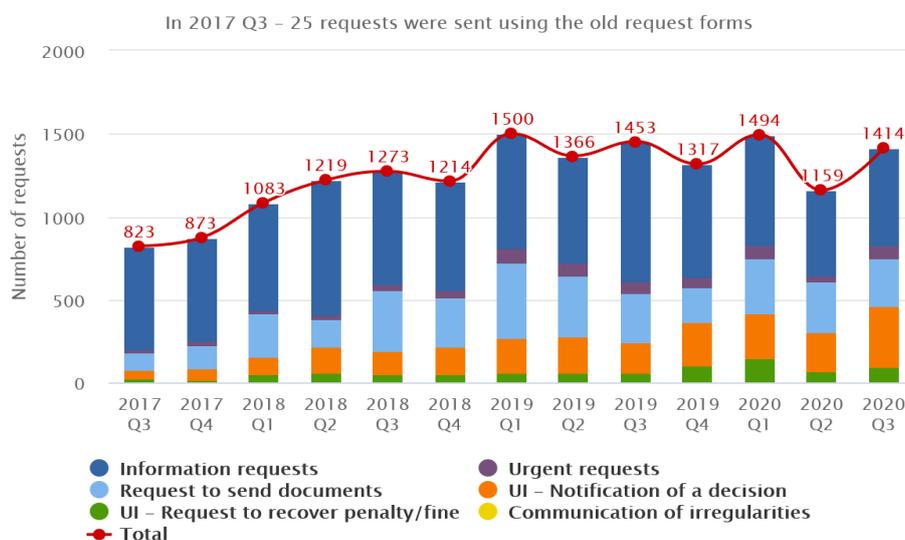
However, posted workers are different from EU mobile workers in that they remain in the host Member State only temporarily and do not integrate its labour market, whilst EU mobile citizens who go to another Member State to seek work and are employed there, are entitled to equal treatment with nationals in access to employment, working conditions and all other social and tax conditions. When talking about workers posted to EU Member States, Romania was situated only on 14th place amongst the EU states (50,855 workers in 2016) and on 17th place in terms of workers posted to Romania from other Member States (10,028). The construction sector accounted for 46,5% of the workers posted overall, within EU in 2017. According to the stakeholders interviewed for EMEcs, the are 700,000 Romanians working in the construction sector abroad.

⁵ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=EU_citizens_living_in_another_Member_State_-_statistical_overview#Who_are_the_most_mobile_EU_citizens.3F

Due to Covid-19 and measures at national and EU level, many companies providing transnational services have adapted their business and providing of cross-border services models. Many companies have discontinued postings and even short-term business travel for an indefinite period of time. Even if companies have not banned travel activities, employees themselves have been reluctant to travel, further reducing mobility.

Undoubtedly, during 2020 the posting of workers across Europe suffered because of the pandemic, particularly during Q2⁶. The dip registered in Q2 in the number information exchanges regarding posting within the Internal Market Information System of the European Commission is an indicator of this trend, although the same numbers indicate a recovery towards Q3 2020, however we have no statistical data regarding the posting of workers by economic sector in this interval.

Fig. 3: Number of requests regarding posting exchanged via the IMI system



Source: European Commission - IMI system

Problems encountered by companies involved in posting

Construction activities in Romania went uninterrupted in most cases and for the majority of the pandemic period. The continuity of the activity was even encouraged through official signals such as the open letter signed in April 2020 by the Romanian Minister for European Funds and the Minister for Transports, Infrastructure and Communications⁷ and addressed to the infrastructure projects beneficiaries and constructors involved in these projects. In this letter, the two officials reinforced the support for the infrastructure projects through European funding and called for the continuation of implementing activities, pleading on their importance.

The measures imposed during and after the end of the emergency state slowed down at times the rhythm of the activity however, as special arrangements had to be made by all employers in order to ensure a social distancing of minimum 1.5 meters between employees, working in shifts with reduced number of hours for employers with over 50 employees. It was not so difficult, because majority of the construction companies are working simultaneously on multiple sites.

⁶ Internal Market Information System – European Commission - https://ec.europa.eu/internal_market/imi-net/statistics/2020/10/posting-of-workers/index_en.htm .

⁷ <https://mfe.gov.ro/wp-content/uploads/2020/04/d4b9ccd37e07c5b8dadab098eaf7414b.pdf>

Special measures have been imposed on the employers and guidelines have been issued by the Ministry of Work and Social Protection⁸ in May 2020 regarding aspects such as the presence of safety equipment (masks, gloves), disinfectants, specific COVID-19 related notices posted for the employees at the workplace, or the temperature checks at the beginning of shifts, but these measures only brought limited disruptions to the activity in the construction sector. All these measures were implemented by the construction companies on their own funds, and entailed overall limited costs.

The activities in the field of constructions were carried out in the open air, so reason for closing of the construction sites, respectively the appearance of some outbreaks COVID-19, were very rare.

The stakeholders' representatives contacted for the EMECs project mentioned the following challenges faced by construction companies during the pandemic period:

- employee's behaviour related to COVID situation - they had a fear of closeness and a fear of teamwork, which led to a decrease in labour productivity;
- problems in the supply chain due to traffic restrictions, or even the blocking of production process;
- problems related to the increasing of the price for construction materials (in fact, this is the main problem related to COVID for the construction sector).

Problems encountered by posted workers

The stakeholders' representatives interviewed for the EMECs project mentioned that there were a few cases of Covid 19 infections among posted workers, immediately isolated. Participants at the study agreed on the good living conditions for foreign workers and good sanitary conditions, according to the national restrictions. By 'good living conditions', building companies understand '2-3 persons in a room' and 'air conditioning in some cases', thus highlighting a medium to a low level of comfort.

Private companies contacted for the EMECs project argue that no employer risked to avoid the mandatory sanitary restrictions. The same time, the representatives of Territorial Labor Inspectorate can remember cases of fines imposed for not following the legal provisions (precarious sanitary conditions, overcrowding), inadequate food regime situations during the quarantine period, insufficient testing. It is generally evaluated that workers posted to Romania benefited from the same working conditions as their colleagues.

When coming to Romania, foreign workers were tested for COVID, as a mandatory action. In case of illness, foreign workers posted to Romania followed the same protocol as Romanian citizens, and the same health care.

Official informative materials concerning COVID sanitary measures were available only in Romanian language. On the site, foreign workers were instructed in English.

Evidences of COVID-19 outbreaks in construction sites

There are several evidences of COVID-19 outbreaks on construction sites in Romania, some of them being covered by the national news outlets.

⁸ https://mmuncii.ro/j33/images/Documente/MMPS/2020-05-ghid_revenirea-la-munca-in-conditii-de-siguranta.pdf

One such case was covered by the Digi24 news outlet in August 2020⁹ concerning an outbreak on a construction site from Bucharest (Sector 4). In this case, 78 construction workers have been isolated after being in contact with other 32 workers, Indian nationals, which tested positive for COVID-19. The media outlet made inquiries about the living conditions of the workers, with interviewed local citizens from the neighbourhood describing the unsanitary practices around the constructors' barracks and the frequent socialising in large numbers right in front of the construction site to which the workers were accustomed to. The authorities intervened on multiple levels in this case. The workers which tested positive were offered medical care in state hospitals and supervision in medical auxiliary facilities according to the gravity of their symptoms. All isolated workers have been relocated from the accommodation facilities on the construction site to facilities provided by the Bucharest Municipality, with adequate hygienic-sanitary conditions, while the construction site was quarantined pending disinfection. A full inquiry was launched by the Bucharest Territorial Labour Inspectorate regarding the working conditions and the legality of the foreign workers on site. The legal papers were found to be in line with the employment law, but the firm was fined for not respecting the legal provisions for preventing the spread of SARS-CoV2. Among the irregularities found were listed the inadequate endowment with hygienic-sanitary materials, the overcrowding of sleeping spaces, the lack of specific training for the prevention of the spread of SARS-CoV 2 virus, insufficient staff assigned for first aid and implementation of preventive measures.

A similar case covered by Ziare.com media outlet¹⁰ in May 2021 concerned 35 Indian construction workers working on 2 construction sites from Popesti-Leordeni (near Bucharest). Of the 35 people who were confirmed with SARS-CoV-2 infection, 19 people were hospitalized and 16 people who tested positive for the rapid test were confined in self- isolation in Popesti-Leordeni.

There were other cases covered by Romanian media¹¹ concerning COVID-19 outbreaks on construction sites/ shipyards such as an outbreak at the Damen Shipyard in Galati in July 2020 (35 employees on the shipyard and 6 employees of various subcontractors) or an outbreak on a construction site in Ploiesti, Prahova County (September 2020).

But, according to our participants, media overreacted on these cases. Most of them were properly managed, without any casualties.

⁹ <https://www.digi24.ro/stiri/actualitate/posibil-focar-de-coronavirus-pe-un-santier-din-bucuresti-1357117>

¹⁰ <https://ziare.com/stiri/coronavirus/focar-de-infectie-COVID-pe-doua-santiere-din-popesti-leordeni-1677072>

¹¹ <https://stirileprotv.ro/stiri/actualitate/focar-de-COVID-19-pe-un-santier-din-ploiesti-cate-persoane-sunt-infectate.html>

Annex 1 - List of interviewees

Position	Organization	Date
Executive director	Elitconstruct LTD (Elitconstruct SRL)	17.05.2022
HR Manager	Grup Construct S.A.	30.05.2022
General Manager	The Federation of Employers of Construction Companies (Federația Patronatelor Societăților din Construcții)	16.05.2022
Representative	The General Federation of Trade Unions "Familia" (Federația Generală a Sindicatelor "Familia")	25.05.2022
Chief Inspector	The National Trade Union Bloc for information and counseling for Romanian workers abroad (Blocul Național Sindical de informare și consiliere pentru lucrătorii români din străinătate)	28.05.2022
Head of labor relations control service	Territorial Labor Inspectorate Iasi (Inspectoratul Teritorial de Muncă Iași)	02.06.2022