

ROMANIA

DESTINATION GUIDE

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INTRODUCTION

This guide provides a clear and practical overview for **local and foreign employees, employers, and investors** operating in the country. It covers the full employment lifecycle – from hiring and work permits to payroll, social security, taxation, termination, healthcare, education, and business setup.

Designed to support both **local workforce management and international talent mobility**, the guide explains statutory obligations, employee rights, and employer responsibilities under labor, tax, and social security regulations. It also supports business owners by outlining company formation, accounting, and ongoing compliance requirements.

Powered by **Gini Talent** and **Gini Finance**, this guide reflects real-world operational expertise:

- **Gini Talent** enables compliant hiring through recruitment, Employer of Record (EOR), payroll, and work permit services.
- **Gini Finance** ensures financial, tax, and accounting compliance with local regulations.

Together, they provide an end-to-end solution that helps organizations and professionals operate confidently, compliantly, and efficiently.



WORK PERMIT & WORKING CONDITIONS

Employment in Romania is governed by the **Romanian Labour Code**, immigration regulations, and social security legislation. While **EU/EEA and Swiss citizens** may work freely in Romania, **non-EU foreign nationals must obtain a valid work permit and residence authorization** before starting employment.

This section explains the legal framework applicable to local and foreign employees, as well as employer obligations related to lawful employment in Romania.

WORK AUTHORIZATION FRAMEWORK IN ROMANIA

For Romanian Citizens (Local Employees)

- No work permit is required
- Employment is governed by the Romanian Labour Code
- Mandatory social security registration applies
- Equal access to employee rights, benefits, and protections

For EU / EEA / Swiss Citizens

- No work permit is required
- Employment is permitted under EU freedom of movement rules
- residence registration required for stays exceeding 90 days

For Non-EU Foreign Employees

- A **work permit (Autorizație de muncă)** is mandatory prior to employment
- The work permit is employer- and position-specific
- Employment may begin only after:
 - Work permit approval
 - Residence permit issuance
 - Social security registration

For Employers

Employers are responsible for ensuring:

- Legal work authorization for non-EU employees
- Lawful employment contracts for all employees
- Compliance with labor, tax, and social security regulations

TYPES OF WORK PERMITS IN ROMANIA

Temporary Work Permit

- Most common permit type for foreign employees
- Issued for up to 1 year
- Renewable based on continued employment

Permanent Residence-Based Employment

- Available after long-term legal residence
- Removes the need for repeated work permit renewals
- Subject to immigration authority approval

Special Categories

- Intra-company transferees
- Highly skilled employees (EU Blue Card)
- Seasonal workers
- Posted workers

Note: Romanian and EU citizens are not subject to work permit classifications.

WORK PERMIT ELIGIBILITY REQUIREMENTS

Employer Requirements

Employers hiring non-EU foreign employees must:

- Be legally established and registered in Romania
- Demonstrate compliance with:
 - Tax obligations
 - Social security contributions
- Prove the position cannot be filled by Romanian or EU candidates (labor market test, unless exempt)

Employee Requirements (Non-EU Nationals)

- Valid passport
- Relevant qualifications and professional experience
- Employment contract aligned with Romanian labor law
- Minimum salary meeting national or sector-based thresholds
- Clean criminal record

Romanian & EU Employees

- No work authorization eligibility restrictions
- Employment subject only to general labor law provisions

WORK PERMIT APPLICATION PROCESS IN ROMANIA

Applications from Outside Romania

- The employer applies for the work permit through the Romanian Immigration Inspectorate
- Once approved, the employee applies for a long-stay work visa (D/AM) at a Romanian consulate
- After entry, a residence permit must be obtained
- Employment may begin only after registration with social security authorities

Applications from Within Romania

- Applicable in limited cases (status change or renewal)
- Subject to immigration authority approval

REQUIRED DOCUMENTS FOR ROMANIAN WORK PERMIT APPLICATIONS

Foreign Employee Documents

- Passport
- Long-stay work visa application
- Biometric photographs
- Employment contract
- Proof of qualifications
- Criminal record certificate

Employer Documents

- Work permit application
- Company registration documents
- Proof of tax and social security compliance
- Job description and justification
- Power of attorney (if applicable)

WORK PERMIT VALIDITY & EXTENSION IN ROMANIA

- Work permits are generally valid for 1 year
- Renewal applications must be submitted before expiry
- Continuous employment and social security contributions are mandatory
- Changes in employer, role, or salary require notification and approval

Failure to comply may result in permit refusal or cancellation.

SOCIAL SECURITY & HEALTHCARE COVERAGE

Social Security Registration

- Mandatory for:
 - All Romanian employees
 - All foreign employees legally employed in Romania
- Registration must be completed from the first day of employment

Social Security Benefits

- Employees are entitled to:
- Public healthcare coverage
 - Sickness and maternity benefits
 - Work accident and occupational disease insurance
 - Disability benefits
 - State pension and retirement rights

Contribution Rates (Indicative)

- Employer: approximately **2%–4%**
- Employee: approximately **35%** (income tax and social contributions combined)

HEALTH INSURANCE VS PUBLIC SOCIAL SECURITY

Once registered in the Romanian social security system:

- Public healthcare coverage is mandatory and included
- Private health insurance is not legally required
- Private insurance may be offered as a supplementary benefit

BILATERAL SOCIAL SECURITY AGREEMENTS

Romania has bilateral social security agreements and applies **EU coordination rules**, allowing:

- Avoidance of double social security contributions
- Aggregation of insurance periods
- Temporary posting exemptions for cross-border assignments

Eligibility depends on nationality and assignment structure.

WORKING CONDITIONS & EMPLOYEE RIGHTS IN ROMANIA

The following rules apply equally to Romanian, EU, and non-EU employees.

Working Hours

- Standard working time: **8 hours per day**
- Maximum: **40 hours per week**

Overtime

- Limited to 8 hours per week on average
- Compensated through:
 - Paid time off, or
 - Increased salary as per labor agreements

Weekly Rest & Breaks

- Minimum 48 consecutive hours of weekly rest
- Mandatory daily rest periods

Paid Annual Leave

- Minimum **20 working days per year**
- Additional leave may apply based on collective agreements

EMPLOYMENT TERMINATION, NOTICE & SEVERANCE IN ROMANIA

Notice Periods

- Employees: minimum **20 working days**
- Employers: minimum **20 working days**

Severance Pay

- Not mandatory under statutory law
- May apply based on:
 - Collective bargaining agreements
 - Employment contracts
 - Company policy

EMPLOYER COMPLIANCE & LEGAL RISKS

Common compliance risks include:

- Employing non-EU nationals without valid permits
- Late social security registration
- Incorrect salary reporting
- Failure to update immigration records
- Non-compliant employment contracts

These may result in:

- Administrative fines
- Work permit cancellation
- Labor disputes
- Immigration sanctions

WHY CHOOSE ROMANIA FOR EMPLOYMENT?

Romania offers:

- Access to the EU single market
- Skilled, multilingual workforce
- Competitive labor costs
- Strong IT, engineering, and shared services sectors
- Stable legal framework aligned with EU standards

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SOCIAL SECURITY SYSTEM

Romania's social security system is administered primarily by the **National Agency for Fiscal Administration (ANAF)** and the **National House of Public Pensions (CNPP)** and provides mandatory social insurance and social protection for all legally employed individuals.

Both Romanian citizens and foreign nationals working under a valid employment relationship in Romania are subject to mandatory social security contributions, regardless of nationality.

MANDATORY SOCIAL SECURITY REGISTRATION IN ROMANIA

Romanian Employees

- Social security registration is mandatory from the first day of employment
- Employers must register employees through the national payroll and tax reporting system
- Coverage starts immediately upon employment commencement

Foreign Employees

- Social security registration is mandatory once:
 - A valid work authorization and residence permit are obtained
 - A local employment contract is signed
- Employment cannot legally commence without social security registration
- Coverage starts from the first working day

Employer Obligations

Employers are legally responsible for:

- Timely registration of employees with tax and social security authorities
- Accurate declaration of salary and job position
- Monthly payroll reporting and payment of contributions
- Withholding employee contributions at source

Failure to comply may result in:

- Administrative penalties
- Retroactive contribution liabilities
- Labor and immigration compliance risks

SOCIAL SECURITY CONTRIBUTION RATES IN ROMANIA (INDICATIVE)

Social security contributions in Romania are calculated based on the employee's gross salary and are primarily withheld and paid by the employer.

Contribution Structure

Employee Contributions

- Pension contribution (CAS): **25%**
- Health insurance contribution (CASS): **10%**

Employer Contributions

- Labor insurance contribution (CAM): **2.25%**

Contribution rates are largely standardized and do not vary significantly by sector.

All contributions must be:

- Declared monthly
- Paid within statutory deadlines
- Reported through ANAF payroll filings

HEALTH INSURANCE COVERAGE (CASS)

Mandatory health insurance contributions (CASS) provide access to Romania's public healthcare system.

Coverage includes:

- Public hospitals and clinics
- Basic medical services
- Prescription medication (partially subsidized)
- Maternity and medical leave benefits

Private health insurance is optional and commonly offered as a supplementary employee benefit.

INTERNATIONAL SOCIAL SECURITY AGREEMENTS

Romania is:

- A member of the **European Union**
- Subject to **EU social security coordination regulations**

Additionally, Romania has bilateral social security agreements with non-EU countries.

These frameworks may allow:

- Exemption from double social security contributions
- Continued coverage under the home country system (A1 certificate)
- Aggregation of contribution periods for pension eligibility
- Posting exemptions for temporary assignments

Foreign employees may remain insured in their home country system for a limited period, subject to official approval.

ROLE OF SOCIAL SECURITY IN WORK PERMIT & IMMIGRATION PROCESSES

Initial Work Authorization

- Work permits and residence authorizations are evaluated independently of social security
- Social security registration follows employment commencement

Renewals & Extensions

- Uninterrupted social security contributions are essential for:
 - Employment continuity
 - Residence and work permit renewals
- Non-compliance may lead to:
 - Immigration delays
 - Employer penalties
 - Increased audit exposure

EXIT PROCEDURES UPON EMPLOYMENT TERMINATION

Employer Responsibilities

Upon termination of employment, the employer must:

- Report termination in payroll and tax filings
- Complete final salary and contribution calculations
- Settle all outstanding social security obligations

Employee Considerations

- Social security contribution history remains valid for future employment
- Foreign employees must:
 - Secure new employment authorization, or
 - Adjust residence status if remaining in Romania

PUBLIC SOCIAL SECURITY VS. PRIVATE HEALTH INSURANCE – KEY DISTINCTION

Feature	Public Social Security (CAS & CASS)	Private Health Insurance
Mandatory for Romanian employees	✓ Yes	✗ No
Mandatory for foreign employees with work permit	✓ Yes	✗ No
Covers retirement	✓ Yes	✗ No
Covers work accidents & disability	✓ Yes	✗ No
Access to public healthcare	✓ Yes	✗ No
Supplementary healthcare	✗ Limited	✓ Yes

Once registered, private health insurance is **not legally required**, but it is widely used for faster access and private medical services.

COMMON SOCIAL SECURITY COMPLIANCE RISKS IN ROMANIA

Frequently encountered compliance issues include:

- Late employee registration
- Underreported salaries
- Incorrect payroll calculations
- Missing monthly declarations
- Failure to report employment termination

These violations may lead to:

- Administrative fines
- Retroactive contribution assessments
- Labor disputes
- Increased inspection and audit risk

WHY SOCIAL SECURITY COMPLIANCE IS CRITICAL IN ROMANIA

Proper social security compliance ensures:

- Lawful and uninterrupted employment
- Access to public healthcare services
- Protection of pension and disability rights
- Smooth work and residence permit renewals
- Reduced legal, financial, and audit risks for employers

TAXATION IN ROMANIA

Romania's taxation system is regulated by the **National Agency for Fiscal Administration (ANAF)**.

All employment-related income earned in Romania is subject to Romanian tax legislation, regardless of nationality. Tax obligations depend primarily on **tax residency status**, while employers bear the main responsibility for payroll tax compliance and withholding.

TAX RESIDENCY STATUS IN ROMANIA

Tax residency is determined based on **physical presence and center of vital interests** during a calendar year.

Tax Residents

- Individuals (Romanian or foreign) who stay in Romania for **more than 183 days within any 12-month period**
- Individuals whose center of economic or personal interests is in Romania
- Tax residents are subject to **income tax on their worldwide income**

Non-Residents

- Individuals who stay in Romania for **183 days or less**
- Non-residents are taxed **only on income sourced in Romania**

Correct residency determination is essential to ensure accurate taxation and treaty application.

INCOME TAX ON SALARIES (WITHHOLDING SYSTEM)

Employees (Local & Foreign)

- Personal income tax is applied to **gross salary**
- Tax is collected through a **withholding-at-source system**
- Employees receive net salary after statutory deductions

Employers

Employers are legally responsible for:

- Monthly payroll calculations
- Applying the statutory **flat income tax rate**
- Withholding income tax at source
- Filing monthly payroll and tax declarations
- Making timely tax payments to ANAF

Income Tax Rate

- Flat personal income tax rate: **10%**

OTHER MANDATORY PAYROLL DEDUCTIONS

In addition to income tax, the following statutory deductions apply to both Romanian and foreign employees:

- Pension contribution (CAS – employee portion)
- Health insurance contribution (CASS – employee portion)

All deductions must be:

- Accurately calculated
- Fully reflected in payroll records
- Declared and paid by the employer within statutory deadlines

CORPORATE TAX OBLIGATIONS FOR EMPLOYERS

Employers operating in Romania and hiring staff (local or foreign) must comply with all corporate tax obligations, including:

- Corporate Income Tax or Microenterprise Tax (depending on eligibility)
- Salary income tax withholding
- Social security and labor insurance contributions
- Monthly payroll tax declarations (D112)
- Annual corporate and payroll reconciliations

Non-compliance may result in:

- Administrative penalties
- Late payment interest
- Tax audits and inspections
- Immigration and labor compliance risks

DOUBLE TAXATION TREATIES (DTAS)

Romania has an extensive network of **Double Taxation Avoidance Agreements (DTAs)**.

DTAs may:

- Prevent double taxation
- Allow tax credits or exemptions
- Regulate taxation of expatriates and cross-border workers
- Define taxing rights based on residency and income source

Foreign employees may need to provide:

- A **Tax Residency Certificate** from their home country to benefit from treaty provisions.

TAX IDENTIFICATION NUMBER (CNP OR NIF)

All individuals earning income or performing financial transactions in Romania must obtain a Romanian Tax Identification Number (CNP or NIF).

TIN is required for:

- Payroll registration
- Salary payments
- Bank account opening
- Lease agreements
- Tax and social security reporting

Foreign nationals without a CNP are issued a **NIF** for tax purposes.

TERMINATION, SEVERANCE & TAXATION

Employees

- Statutory severance pay is generally taxable unless specifically exempt
- Unused annual leave payments are taxable as salary income

Employers

- Must calculate and declare all final payroll taxes
- Apply correct tax treatment to termination-related payments
- Complete payroll and tax closure procedures accurately and on time

COMMON TAX COMPLIANCE RISKS IN ROMANIA

Frequent compliance risks include:

- Incorrect tax residency classification
- Underreported salaries or benefits
- Late or missing payroll tax declarations
- Incorrect application of DTAs
- Mismatch between payroll, tax, and social security data

These issues may lead to:

- Retroactive tax assessments
- Administrative fines
- Audit exposure
- Delays in work or residence permit renewals for foreign employees

IMPORTANT NOTE ON TAX COMPLIANCE IN ROMANIA

Tax compliance in Romania is a **shared legal responsibility** between the employer and the employee.

Proper tax structuring and accurate reporting ensure:

- Lawful and transparent employment
- Protection against double taxation
- Alignment between payroll and social security contributions
- Smooth work and residence permit processes
- Reduced legal, financial, and audit risks for employers

EMPLOYMENT TERMINATION

Employment termination in Romania is regulated primarily under the **Romanian Labor Code (Law No. 53/2003)**.

Termination rules apply equally to Romanian citizens and foreign employees working under a valid employment contract. Employers and employees must comply with statutory procedures related to termination grounds, notice periods, severance entitlements (where applicable), and documentation requirements.

TYPES OF EMPLOYMENT TERMINATION IN ROMANIA

Employment relationships in Romania may be terminated through the following methods:

- Resignation by the employee
- Termination by the employer for disciplinary, economic, or performance-related reasons
- Mutual agreement of the parties
- Expiration of a fixed-term employment contract
- Retirement
- Force majeure events
- Termination due to medical incapacity

Each termination type carries different legal consequences regarding notice obligations, compensation, and employer liabilities.

JUSTIFIED VS. UNJUSTIFIED TERMINATION

Employer-Initiated Termination – Just Cause

Employers may terminate employment for legally justified reasons, including:

- Serious or repeated disciplinary misconduct
- Professional incompetence or failure to meet performance standards
- Economic reasons such as restructuring, redundancy, or position elimination
- Medical incapacity confirmed by authorized medical bodies
- Force majeure preventing continuation of employment

Justified terminations must be **properly documented**, follow statutory procedures, and respect employee defense rights.

Failure to comply may render the termination invalid.

Employer-Initiated Termination – Without Just Cause

If an employer terminates employment without a valid legal reason or without following statutory procedures:

- The termination may be declared invalid by labor courts
- The employee may be entitled to reinstatement
- Compensation for lost wages and damages may apply

Romanian labor law strongly protects employees against unlawful dismissals.

Employee-Initiated Termination (Resignation)

Employees (local or foreign) may resign:

- With notice, in accordance with contractual terms
- Without notice, in cases of serious employer breach, including:
 - Non-payment of salary
 - Unsafe or unlawful working conditions
 - Serious contractual violations by the employer

In resignation cases, severance pay is generally **not mandatory**, unless contractually agreed.

STATUTORY NOTICE PERIODS IN ROMANIA

Unless otherwise agreed or exempted by law:

- Employee resignation notice:
 - Up to **20 working days** for non-managerial roles
 - Up to **45 working days** for managerial positions
- Employer termination notice (where applicable):
 - Minimum **20 working days**

If notice is not respected, the terminating party may be liable for damages.

PROBATIONARY PERIOD AND TERMINATION

Maximum probation period:

- **90 calendar days** for non-managerial roles
- **120 calendar days** for managerial roles

During probation:

- Either party may terminate the employment contract
- No notice period is required
- No severance compensation applies

These rules apply equally to **Romanian and foreign employees.**

SEVERANCE PAY IN ROMANIA

Severance Eligibility

Romanian law does **not mandate statutory severance pay** in standard termination cases.

Severance pay may apply if:

- Provided under the employment contract
- Granted through collective bargaining agreements
- Offered voluntarily by the employer (e.g., redundancy packages)

Severance Characteristics

- Amount and conditions are contract-based
- Generally subject to income tax and social contributions, unless exemptions apply

MASS LAYOFFS AND COLLECTIVE TERMINATIONS

In collective dismissal cases, employers must:

- Meet statutory thresholds for collective redundancy
- Inform and consult employee representatives or trade unions
- Notify the territorial labor inspectorate and employment authorities
- Observe mandatory waiting and consultation periods

Non-compliance may result in:

- Administrative fines
- Invalid termination risk
- Reinstatement and compensation claims

TERMINATION OF FOREIGN EMPLOYEES IN ROMANIA

For foreign employees holding a valid **work and residence permit**:

Employers must:

- Terminate employment in compliance with Romanian labor law
- Notify relevant immigration authorities, where required
- Update payroll and social security records

Foreign employees must:

- Secure a new employer and work authorization, or
- Change or terminate residence status if remaining in Romania

Failure to comply may result in:

- Immigration penalties
- Residence permit cancellation
- Overstay risks

FINAL PAYROLL AND LEGAL OBLIGATIONS AFTER TERMINATION

Upon termination, employers must complete:

- Final salary payments
- Payment for unused annual leave
- Contractual severance pay (if applicable)
- Notice compensation (if applicable)

Additionally:

- Final payroll tax declarations
 - Social security updates
- must be filed accurately and within statutory deadlines.

COMMON EMPLOYMENT TERMINATION COMPLIANCE RISKS IN ROMANIA

Common risks include:

- Lack of proper justification or documentation
- Failure to follow disciplinary procedures
- Incorrect notice handling
- Improper redundancy process management
- Non-compliance with immigration obligations for foreign employees

These violations may lead to:

- Labor court disputes
- Reinstatement orders
- Compensation liabilities
- Regulatory and immigration sanctions

WHY PROPER TERMINATION MANAGEMENT MATTERS

Lawful and well-documented termination processes ensure:

- Protection of employee rights
- Reduced litigation and reinstatement risks
- Accurate payroll and tax closure
- Compliance with labor and immigration regulations
- Business continuity and reputational protection

EDUCATION OPTIONS FOR CHILDREN IN ROMANIA

Families living in Romania—**both Romanian citizens and foreign residents**—have access to a diverse and well-structured education system.

Romania offers **public, private, and international education options** that support different academic goals, language preferences, and lengths of stay, from early childhood through higher education. The education system is aligned with EU standards and supports international mobility.

PUBLIC SCHOOLS IN ROMANIA

Public schools in Romania are open to Romanian citizens and foreign children holding a valid residence permit and are provided free of charge.

Key Features

- Curriculum regulated by the Romanian Ministry of Education
- Primary language of instruction: Romanian
- Romanian language preparatory programs for non-native speakers
- Nationwide availability across urban and rural areas

Major cities such as **Bucharest, Cluj-Napoca, Timișoara, Iași, and Brașov** offer a wide selection of public schools at all education levels.

Public schools are particularly suitable for:

- Local families
- Foreign families planning long-term residence
- Families seeking cultural integration within Romanian society

PRIVATE SCHOOLS AND COLLEGE-LEVEL INSTITUTIONS

Private schools in Romania serve both local and international families and offer enhanced academic programs and modern learning environments.

Highlights

- Smaller class sizes and individualized learning approaches
- Bilingual or multilingual instruction (Romanian-English, French, German)
- National and international accreditations
- Strong preparation for Romanian and international universities

Common private education options include:

- Bilingual private schools
- STEM- and technology-focused institutions
- Private high schools with international pathways

Private schools are often preferred by families seeking higher academic standards, foreign-language instruction, or international curricula.

INTERNATIONAL SCHOOLS IN ROMANIA

Romania hosts a growing network of internationally accredited schools, mainly serving expatriate families and internationally oriented Romanian families.

Offered Programs

- International Baccalaureate (IB)
- Cambridge International Curriculum (IGCSE / A-Level)
- American High School Diploma
- French and German national curricula

International schools are primarily located in: **Bucharest** (largest concentration), **Cluj-Napoca**, **Timișoara**, **Brașov**

These schools are ideal for:

- Foreign families on short- or medium-term assignments
- Families seeking curriculum continuity across countries
- Students planning to pursue higher education abroad

PRESCHOOL AND EARLY CHILDHOOD EDUCATION

Romania offers a wide range of early childhood education options for both **local and foreign families**.

Available Options

- Public and private kindergartens
- Montessori and alternative education models
- Bilingual and English-language preschools
- International nursery and early learning centers

Enrollment typically begins **from 2.5 to 3 years** of age, with private institutions often offering more flexible admission policies.

HIGHER EDUCATION OPPORTUNITIES IN ROMANIA

Romania's higher education system is open to **Romanian citizens and international students** and is recognized across the European Union.

Key Advantages

- English-, French-, and German-taught degree programs
- Well-known universities such as:
 - University of Bucharest
 - Babeş-Bolyai University
 - Politehnica University of Bucharest
- Affordable tuition fees compared to Western Europe
- EU-recognized diplomas and student mobility opportunities

Romania is increasingly attractive for regional and European academic mobility.

SPECIAL EDUCATION SERVICES

Romania provides educational support services for children with special educational needs (SEN).

Available Support

- Special education classes within public schools
- Private therapy and support centers
- Individualized Education Plans (IEP)
- Speech, occupational, and developmental therapy services

Availability may vary by region, and prior assessments are often required.

DOCUMENTATION AND ENROLLMENT REQUIREMENTS

For Public and Private Schools

Families typically need:

- Valid residence permit (for foreign families)
- Passport or Romanian ID copies
- Previous school transcripts
- Equivalency recognition from Romanian education authorities (if applicable)
- Proof of address

For International Schools

Additional requirements may include:

- Placement or language assessments
- Academic records aligned with international curricula
- Interviews or entrance evaluations

WHY ROMANIA IS A STRONG EDUCATION DESTINATION

- EU-aligned education system
- Wide range of public, private, and international schools
- Strong availability of English and multilingual education
- Affordable education and living costs compared to many EU countries
- Safe, family-friendly urban environments
- Recognized university degrees across Europe

HEALTHCARE OPTIONS IN ROMANIA

Individuals living and working in Romania—both Romanian citizens and foreign nationals—benefit from an **accessible and EU-aligned healthcare system**.

Romania offers a combination of public healthcare coverage through the **national health insurance system, private medical services, and international-standard hospitals**, supported by qualified medical professionals and expanding medical infrastructure.

PUBLIC HEALTHCARE SYSTEM (NATIONAL HEALTH INSURANCE)

Romania's public healthcare system is administered by the **National Health Insurance House (CNAS – Casa Națională de Asigurări de Sănătate)** and applies to all legally employed individuals, including both local and foreign employees.

Public Healthcare Coverage Scope

Once registered and contributing, insured individuals have access to:

- Public hospitals and university hospitals
- Family doctors (general practitioners)
- Emergency and inpatient services
- Routine medical examinations and specialist referrals
- Maternity and pediatric care
- Chronic disease management programs
- Diagnostic tests and laboratory services
- Partially reimbursed prescription medications

Public healthcare services are available nationwide, with stronger infrastructure in major urban centers.

PRIVATE HEALTHCARE SERVICES

Romania has a rapidly developing private healthcare sector, widely used by expatriates and higher-income local residents.

Key Advantages

- Shorter waiting times for consultations and procedures
- English-speaking doctors and multilingual medical staff
- Modern diagnostic and treatment technologies
- Direct access to specialists (often without GP referral)
- High-quality outpatient and inpatient services

Private hospitals and clinics are widely available in cities such as **Bucharest, Cluj-Napoca, Timișoara, Brașov, and Iași**. Many private providers cooperate with local and international insurance companies.

INTERNATIONAL HOSPITALS AND EXPAT-FOCUSED CLINICS

Major cities host private medical centers and international-standard clinics designed to meet the expectations of expatriates and globally mobile families.

Common Features

- Multilingual medical teams (English widely available)
- Western-standard medical protocols
- Comprehensive outpatient services
- 24/7 emergency and urgent care units
- Specialized departments including pediatrics, cardiology, orthopedics, dermatology, dentistry, OB-GYN, fertility, and internal medicine

These facilities are commonly preferred by foreign employees and international families.

HEALTH INSURANCE REQUIREMENTS

For Employees

- Enrollment in the Romanian public health insurance system (CNAS) is mandatory for all employees working legally in Romania
- Coverage becomes effective once social contributions are paid through payroll

Additional Insurance Options

While public insurance provides broad coverage:

- Private health insurance is commonly offered as an employee benefit
- International health insurance is preferred for globally mobile employees
- Supplementary insurance improves access to private hospitals and specialist care

Employers are responsible for payroll-based health insurance contributions as part of statutory compliance.

MATERNITY AND FAMILY HEALTHCARE

Romania provides maternity and family healthcare services through both public and private systems.

Available Services

- Prenatal and postnatal medical care
- Public and private maternity hospitals
- Pediatric services and family doctors
- National vaccination programs aligned with EU standards
- Routine child development monitoring

Maternity care is covered under public health insurance, with private hospitals offering enhanced comfort and personalized services.

EMERGENCY AND URGENT CARE SERVICES

Emergency medical services are available nationwide in Romania:

- **112** Emergency Hotline (nationwide, free of charge)
- Ambulance and emergency response services
- Emergency departments in public and private hospitals
- Trauma care, surgical intervention, and intensive care units

Emergency treatment is provided regardless of nationality or insurance status.

PHARMACEUTICALS AND MEDICATION ACCESS

Romania has a regulated and widely accessible pharmacy network.

Key Features

- Prescription and over-the-counter medications
- Partial reimbursement through public health insurance
- Pharmacies available in all cities and towns
- Extended operating hours, including weekend services
- English-speaking pharmacists in major urban areas

MEDICAL TOURISM AND SPECIALIZED TREATMENTS

Romania is emerging as a regional destination for cost-effective medical services.

Common Specializations

- Dental care and oral surgery
- Cosmetic and reconstructive procedures
- Orthopedic treatments
- Fertility and IVF services
- Dermatology and aesthetic medicine

Patients benefit from competitive pricing and EU-trained medical professionals.

WHY ROMANIA IS A STRONG HEALTHCARE DESTINATION

- Mandatory public health insurance for legally employed individuals
- EU-aligned healthcare regulations
- Growing private and international-standard healthcare facilities
- Affordable healthcare costs compared to Western Europe
- English-speaking medical professionals in major cities
- Reliable emergency medical services
- Family-oriented healthcare environment

PAID PUBLIC HOLIDAYS / 1

Holiday Name	Romanian Name	Date	Type	Description
New Year's Day	Anul Nou	January 1	National	Marks the beginning of the new calendar year; public holiday nationwide.
Day After New Year's Day	A doua zi de Anul Nou	January 2	National	Second official New Year holiday; all employees are entitled to paid leave.
Union of the Romanian Principalities	Ziua Unirii Principatelor Române	January 24	National	Commemorates the 1859 union of Moldavia and Wallachia.
Orthodox Good Friday	Vinerea Mare	Variable (April/May)	Religious	Observed before Orthodox Easter; a day of religious reflection.
Orthodox Easter Sunday	Paștele	Variable (April/May)	Religious	Celebrates the resurrection of Jesus Christ (Orthodox calendar).
Orthodox Easter Monday	A doua zi de Paște	Variable (April/May)	Religious	Second day of Orthodox Easter celebrations.
Labour Day	Ziua Muncii	May 1	National	Celebrates workers' rights and labor achievements.

**Dates of religious holidays vary each year according to the lunar calendar*

PAID PUBLIC HOLIDAYS / 2

Holiday Name	Romanian Name	Date	Type	Description
Children's Day	Ziua Copilului	June 1	National	Dedicated to children; paid public holiday for all employees.
Orthodox Pentecost Sunday	Rusalii	Variable (May/June)	Religious	Celebrates the descent of the Holy Spirit (Orthodox tradition).
Orthodox Pentecost Monday	A doua zi de Rusalii	Variable (May/June)	Religious	Second day of Pentecost; statutory public holiday.
Assumption of Mary	Adormirea Maicii Domnului	August 15	Religious	Major Orthodox feast honoring the Virgin Mary.
St. Andrew's Day	Sfântul Andrei	November 30	Religious	Honors Saint Andrew, the patron saint of Romania.
National Day of Romania	Ziua Națională a României	December 1	National	Celebrates the Great Union of 1918; Romania's national holiday.
Christmas Day	Crăciunul	December 25	Religious	Celebrates the birth of Jesus Christ.
Second Day of Christmas	A doua zi de Crăciun	December 26	Religious	Continuation of Christmas celebrations.

**Dates of religious holidays vary each year according to the lunar calendar*

BUSINESS SETUP SERVICES

Establishing a business in Romania provides both **local entrepreneurs and foreign investors** with access to the European Union market, a competitive cost structure, and a skilled, multilingual workforce. Romania allows **100% foreign ownership** in most sectors and offers a transparent company formation process supported by digital platforms operated by the Trade Registry and tax authorities.

Romania's legal and regulatory framework ensures equal treatment for domestic and foreign investors, subject to sector-specific regulations and EU compliance requirements.

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COMPANY FORMATION OPTIONS IN ROMANIA

Investors may establish different legal entity types depending on business objectives, operational scale, and investment structure.

Common Legal Entity Types

- Limited Liability Company (**SRL – Societate cu Răspundere Limitată**)
- Joint Stock Company (**SA – Societate pe Acțiuni**)
- Branch Office
- Representative Office (non-commercial activities only)

The **Limited Liability Company (SRL)** is the most commonly preferred structure for both local and foreign investors due to:

- Low minimum capital requirement
- Flexible ownership and management structure
- Simplified corporate governance
- Fast incorporation timelines

COMPANY INCORPORATION PROCESS IN ROMANIA

The incorporation process in Romania is efficient and can often be completed within **1-2 weeks**, provided documentation is complete.

Key Incorporation Steps

- Reservation of the company name with the Trade Registry
- Drafting of Articles of Association
- Declaration of ultimate beneficial owners (UBO)
- Registration with the National Trade Registry Office (ONRC)
- Tax authority registration
- VAT registration (if applicable)
- Company registration certificate issuance

Once registered, the company obtains full legal personality and may commence commercial operations.

MINIMUM CAPITAL REQUIREMENTS

Romania offers very accessible capital requirements:

- **SRL (Limited Liability Company):**

No statutory minimum capital (symbolic capital of RON 1 is common)

- **SA (Joint Stock Company):**

Minimum capital of **RON 90,000**

Capital contribution requirements may vary depending on the business activity and regulatory sector.

CORPORATE BANK ACCOUNT OPENING IN ROMANIA

After incorporation, companies must open a corporate bank account with a Romanian or EU-licensed bank.

Typical Requirements

- Trade Registry registration certificate
- Articles of Association
- Tax registration certificate
- UBO declaration
- Identification documents of shareholders and directors
- Authorized signatory documentation

Enhanced due diligence may apply for foreign-owned companies, affecting timelines

TAX REGISTRATION & ONGOING TAX COMPLIANCE

All companies operating in Romania must comply with Romanian tax legislation and EU tax standards.

Key Tax Obligations

- Corporate income tax or microenterprise tax registration
- VAT registration (mandatory or voluntary)
- Monthly or quarterly tax filings
- Payroll tax and social contribution reporting
- Annual corporate tax return

Romania offers a **microenterprise tax regime** with reduced tax rates for eligible small businesses.

SOCIAL SECURITY & PAYROLL SETUP

Before hiring employees, employers must register with the Romanian tax authority and social security system.

Employer Obligations

- Employer registration with tax and social authorities
- Payroll system setup
- Monthly reporting of salary taxes and social contributions
- Employee onboarding compliance
- Electronic employment contract registration (Revisal system)

Payroll registration is mandatory before employment commencement, regardless of employee nationality.

WORK PERMIT & IMMIGRATION SUPPORT

Foreign shareholders, directors, and employees may require work and residence permits to legally operate and work in Romania.

Coverage Includes

- Work authorization applications
- Residence permit coordination
- Permit renewals and extensions
- Compliance with foreign workforce quotas
- Immigration reporting obligations

Employment may not legally commence without approved work and residence permits

ACCOUNTING, BOOKKEEPING & CORPORATE COMPLIANCE

Romanian law requires companies to maintain accurate accounting records in accordance with Romanian Accounting Standards and EU regulations.

Ongoing Compliance Services

- Monthly bookkeeping
- Financial statement preparation
- Statutory audit coordination (where applicable)
- Corporate secretarial services
- UBO updates and regulatory notifications

Non-compliance may lead to fines, audits, and operational restrictions

VIRTUAL OFFICE & REGISTERED ADDRESS SOLUTIONS

Companies must maintain a registered business address in Romania.

Available Solutions

- Registered office address services
- Virtual office solutions
- Mail handling and official correspondence
- Temporary office and meeting room access

A registered address is mandatory for Trade Registry and tax authority compliance.

SECTOR-SPECIFIC LICENSING & REGULATORY APPROVALS

Certain business activities require additional licenses or regulatory approvals, including:

- IT and telecommunications
- Financial and professional services
- Healthcare and pharmaceuticals
- Education and training
- Energy, manufacturing, and regulated industries

Sector-specific approvals must be obtained before commencing operations.

INVESTMENT INCENTIVES & STATE AID IN ROMANIA

Romania offers a range of investment incentives and state aid schemes to attract domestic and foreign investment.

Available Incentive Mechanisms

- State aid schemes for large investments
- Regional development incentives
- R&D and innovation grants
- EU-funded programs
- Employment and training subsidies

Eligibility depends on:

- Project value and sector
- Investment location
- Job creation commitments
- Compliance with state aid rules

WHY SET UP A BUSINESS IN ROMANIA?

- Full access to the EU single market
- 100% foreign ownership permitted
- Competitive labor and operating costs
- Highly skilled, multilingual workforce
- Favorable tax regimes for SMEs
- Growing IT, manufacturing, and services sectors
- Transparent legal framework aligned with EU standards