

## KPMG Guide on Posting of Workers 2021

**KPMG in Romania has released the sixth edition of its “Guide on Posting of Workers” which includes detailed information on the changes brought by the new Posting Directive in each member state.**

Even though 2020 pulled the brake on international mobility as we knew it, it also brought new requirements in terms of international postings, as EU member states had to implement Directive 2018/957/EU into their domestic legislation. Romania implemented this Directive into local legislation in August 2020. However there still are some open questions about some of the employers’ obligations. Therefore, even in a year of little to no mobility, international postings are still a hot topic, and this period of “tranquility” may offer employers the time they need to reassess their global mobility programmes, analyse potential risks and design processes and procedures to ensure compliance with new regulations.

The “KPMG Guide on Posting of Workers” first appeared in 2016 and since then KPMG has been monitoring corporate obligations related to mobile workers throughout the EU, from the applicable minimum wage levels to the necessary registration procedures in each member state.

“The main change is that posted workers are no longer entitled merely to a minimum wage, but to a remuneration equivalent to that received by a local employee. This may have a significant impact on employer costs, especially in those countries where remuneration is set through different collective bargaining agreements. For example, in the case of employees posted from France to Romania, the French employer will have to provide these people with at least the minimum wage set at national level in Romania, i.e. 2,300 lei for employees without a university degree, 2,350 lei for people with a university degree, or 3,000 lei for people working in construction. On the other hand, in the case of employees posted from Romania to France, the Romanian employer will have to ensure a salary of approximately 1,554 euros, which is the national minimum wage in France, or, if there is a collective labor agreement applicable to that industry, the income specified in this agreement for employees in that category. For example, in the case of construction, the remuneration applicable under the collective agreement for this industry in France may be up to 3,140 euros, depending on the experience of the employee”, explains **Madalina Racovițan**, *Tax Partner and Head of People Services, KPMG in Romania*.

Registration requirements are another issue that raises concerns for employers and now these have become even more cumbersome as they are different from long term to short term postings. Therefore, the Guide also provides an overview of the methods of registration available in each of the Member States. In most states there are online systems that allow the registration of international postings but there are also countries, such as Romania, where the labor inspectorate must be informed through a written notification which is sent by mail or e-mail.

The information presented in the “KPMG Guide on Posting of Workers” is based upon a survey covering issues relating to remuneration, registration and other compliance requirements applicable to postings to 30 countries within the European Union, European Economic Area and Switzerland (including the UK), valid as at March 2021.

Racovițan ends “The main purpose of this guide is to help employers understand the general principles around posting of workers, as well as the changes made to the legislation governing postings, so that they will be better able to properly plan the activity of their workforce. ”