

## Fixed-Term Employment Agreements

As a general rule, individual employment agreements are entered into for an indefinite period. Fixed-term agreements (i.e., agreements concluded for a definite period of time) may only be concluded in limited situations provided by law, namely:

- (i) Replacement of an employee when his employment agreement has been suspended, except the case when the respective employee takes part in a strike
- (ii) Temporary increase of the employer's activity
- (iii) Performance of seasonal activities
- (iv) When concluded on the basis of special legal provisions issued for the purposes of temporarily supporting certain categories of unemployed persons
- (v) Employment of a person who, within five years from the date of employment, fulfills the age retirement conditions
- (vi) Replacement of an employee who assumed a position within trade unions, employers' organizations or non-governmental organizations during their mandate
- (vii) Employment of retired persons who may cumulate the pension with the salary
- (viii) In other cases expressly provided for in special laws or for the performance of works, projects or programs, according to the conditions established in the collective bargaining agreements concluded at the national level and/or industry level

Should employment agreements be concluded for other reasons than as permitted by law, they may be requalified as agreements concluded for an indefinite period of time. Furthermore, sanctions may be applied in case of breach. Also, fixed-term employment agreements should not replace the trial period, otherwise sanctions may be applied to the employer or even requalification of the agreement as one concluded for an indefinite period of time.

The duration of the fixed-term agreement cannot exceed 24 months. In case the agreement is executed with a purpose to replace one employee whose employment relation is suspended, the employment agreement shall be concluded for the suspension period of such agreement. The law also forbids more than three successive fixed-term agreements entered into for the same position for a period of 24 months. Upon expiry of the third such employment agreement, the employer is obliged to conclude an agreement for an indefinite period of time for that particular position.

The employer is obligated to inform employees performing activity under a fixed-term agreement in relation to any vacant positions available for an indefinite period of time, by means of a public written notification.

Generally, the employer must grant identical rights to employees working for a definite or for an indefinite period of time.

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