

# Compensation of staff training costs

26 December 2014

## In brief

In order to implement Article 2 para. (5) letter b) of the State Budget Law for 2014, the Government has approved the Regulation establishing the mechanism for the use of funds allocated from the state budget to support investors in employee training in connection with the creation of new jobs ("the Regulation").

## In detail

According to the Regulation, investors registered in the Republic of Moldova as conducting entrepreneurial activity are entitled to request reimbursement of staff training expenses.

A special Council to be established by the Ministry of Economy will select beneficiaries.

Compensation will be limited to 50% of the costs incurred for the training of each employee.

Only costs incurred for employee training in vocational training centres will be subject to reimbursement. The Council will approve a list of such centres.

The documents required for reimbursement applications by investors include a copy of a statement by employees benefiting from the training confirming their consent to work for the company for a minimum period of three years after completion of training.

In the event of insufficient financial resources to satisfy all the applications, priority will be given to projects involving the highest labour productivity. If the labour productivity is similar, the compensation will be allocated proportionally.

*[Source: Government Decision no. 1002 dated 10 December 2014 establishing the mechanism for the use of funds allocated from the state budget to support investors in the training of employees in connection with the creation of new jobs, Monitorul Oficial no. 372-384 (5011 - 5023) dated 19 December 2014]*

## The takeaway

The funds allocated to supporting investors will be set annually by the State Budget Law.

Occupations in the following areas will be prioritised for staff training compensation: industrial production, energy efficiency, ensuring infrastructure for quality and other areas where there is a shortage of personnel in the domestic labour market.

**Let's talk**

For a deeper discussion of how this new legislation might affect your business, please contact:



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