

New guidelines regarding support measures for Greek businesses impacted by the Coronavirus crisis

By virtue of the recent ministerial decision issued on 28 March 2020, the Greek Ministers of Labour and Finance provided guidelines on the implementation of the support measures introduced by the legislative act of 20 March 2020 for businesses and employees impacted by the Coronavirus crisis.

More specifically:

A. Employers on lockdown by order of the authorities

Suspension of employment contracts

The lockdown imposed by the authorities constitutes an event of force majeure and releases employees from the obligation to provide services and their employers from the obligation to pay salary. During the lockdown period the employment contracts are suspended.

Fixed-term employment contracts, which were due to expire after the lockdown, are also suspended and continue after the lockdown is lifted for the remaining of their term.

All unpaid leaves agreed between employers and employees are revoked as from 28 March 2020 and the respective employment contracts are placed on suspension.

Prohibition of dismissals

Starting from 18 March 2020, employers on lockdown by order of the authorities are prohibited from making any dismissals during the lockdown period. If effected, the dismissals are invalid.

Special state benefit

Employees, whose employment contracts are suspended pursuant to the above, including employees who were terminated or resigned between 1 and 20 March 2020, are entitled to a special state benefit of Euro 800. Such benefit covers a suspension period of 45 days during which the employees are entitled to full social security coverage, borne by the State. Employers who fall under the above category are obliged to declare the suspension of their activities and the affected employees through the ERGANI platform **by 10 April 2020 (as extended)**. Failure to do so results in the exclusion of the employers from various relief measures provided for impacted businesses. **By 10 April 2020** employers must also inform their employees in writing or by email about the submission of the above declaration so that employees also submit their required application to the electronic platform of the Ministry of Labour.

B. Businesses severely impacted by the crisis

Suspension of employment contracts

Employers belonging to the specific impacted categories announced by the Ministry of Finance may suspend the employment contracts of all or part of their employees for an uninterrupted period of 45 days. Such option can be exercised one-off or progressively **between 21 March 2020 and 20 April 2020**. Fixed-term employment contracts expiring after 21 March 2020 can also be suspended, in which case their term is continued after the suspension period.

Employers, who suspend part of their employees as above, may, in parallel, make use of the other support mechanisms for the rest of their personnel, i.e. operation under “safe operation staff” and intragroup transfer of employees.

Prohibition of dismissals

During the suspension period the employers are prohibited from dismissing any of their employees. If effected, such dismissals are invalid. Employers who make use of the above measure are further obliged to maintain the same employees under the same terms of employment as at 21 March 2020, for a period equal to the suspension period, i.e. for 45 days after the suspension. Such restriction does not cover employees who resign, retire or whose fixed-term contracts expire.

Special state benefit

Employees placed on suspension as above, including those who were terminated or resigned between 1 and 20 March 2020, are entitled to a special state benefit of Euro 800, while the State bears the social security contributions corresponding to the 45-day suspension period. Employers exercising such right are obliged to declare their affected employees through the ERGANI platform within the period between 21 March 2020 and 20 April 2020; otherwise, they will not be eligible for the various State measures available to impacted businesses. Employers are required to inform on the same day their employees in writing or by email about the submission of such declaration so that they can also submit the required application to the respective platform. Employers, who do not place any employees on suspension, although entitled to, remain eligible for the other relief measures available to impacted businesses.

Employers can pay to suspended employees an amount on top of the special state benefit up to their gross monthly remuneration, in which case the employers must also cover the respective social security contributions.

Telework

Teleworking employees are excluded from the above suspension mechanism as they continue to provide their services to the employer.

By way of exception, employers may agree with suspended employees to provide telework in order to cover temporary needs of the business. Such telework must be notified through ERGANI prior to

its commencement and remunerated pro rata, up to the total amount of the employee's normal remuneration, while employers must also cover the respective social security contributions.

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