





Issuance of Ministerial Decision 113169/2023 of the Ministry of Labour and Social Security

Ministerial Decision 113169/2023, published on 28.12.2023, extends the use of the Digital Work Card system to the industry and retail sectors, modifies the criteria for qualifying as "managerial employee" and introduces various changes regarding the employers' notification obligations through ERGANI II.

Extension of Digital Work Card system

As of 1.1.2024, all businesses of the industry sector, with the exception of energy, oil and mining, and the retail sector are required to use the Digital Work Card.

However, no administrative sanctions for violations of the relevant provisions will be imposed over an initial grace period lasting until a) 01.04.2024 for the industry sector b) 02.05.2024 for the retail sector and c) 13.05.2024 for businesses of both sectors having up to 10 employees.

Criteria for the classification as "managerial employee"

As of 01.03.2024 the criteria for the classification of employees as managerial are amended as follows:

Category A

- Employees who exercise the "managerial prerogative" towards other employees of the company or are authorised to take decisions autonomously; or
- represent and bind the company towards third parties; or
- are members of the Board of Directors or relevant corporate body; or
- are shareholders or partners holding more than 0.5% of voting rights.



Category B

Heads of departments, units or sectors, entrusted with the supervision of the business, who receive at least 4 times the monthly statutory wage (reduced from 6 times under the previous framework), which currently corresponds to Euro 3,120.

Category C

Employees receiving at least 6 times the monthly statutory wage (reduced from 8 times under the previous framework), which currently corresponds to Euro 4,680.

It is noted that the above thresholds will be impacted by the increase of the minimum statutory wage that is expected in April 2024, while the notification of the employees' managerial status to ERGANI II will take place through the submission of the Declaration of Basic Employment Terms.

Submission of Basic Employment Terms and employment contracts to ERGANI II

Ministerial Decision 113169/2023 clarifies the concept of "Basic Employment Terms" introduced by Law 5053/2023 and provides a template of such form. The declaration of Basic Employment Terms must be signed by both the employer and the employee either in hard copy or electronically and uploaded to ERGANI II prior to the commencement of employment. The same process must be followed in case of amendment of the Basic Employment Terms, except for amendments due to legislative changes.

Pursuant to Ministerial Decision 113169/2023, all employment contracts must be submitted in signed form (either

in hard copy or electronically) to ERGANI II within 7 days from the commencement of employment.

Notifications to ERGANI II

The main changes introduced, effective 01.03.2024, regarding the notification process to ERGANI II include:

- The E3 and E4 forms are replaced by the Digital Declaration of Commencement of Employment which must be submitted, together with the Declaration of Basic Employment Terms, prior to the commencement of employment;
- The signed employment contracts, if any, must be uploaded within 7 days from the commencement of employment;
- The Digital Declaration of Changes in **Employment** Terms must be submitted prior to the effective date such changes, except contractual or statutory salary changes that must be submitted within 15 or 30 days, respectively, from the effective date;
- A solemn declaration of the employer is introduced for serving notice to the employee after being absent for more than 5 consecutive days; such declaration precedes the declaration of the employee's resignation which can be signed only by the employer after the lapse of an additional 5 working days;
- The E5, E6 and E7 forms are replaced by the Digital Declaration of Dissolution/Expiry of the Employment Contract and must be submitted within 4 working days from such dissolution/expiry;



Employers that apply the Digital Work Card system may choose whether to notify changes to working hours or the conduct of overtime through ERGANI II in advance (as is currently the case) or whether to notify such information retroactively by the end of the next calendar month. The new Ministerial Decision also provides that employers may amend or revoke previously submitted declarations, without any penalties, by means of a new electronic submission within the initial prescribed deadline. Employers will also obtain access, through ERGANI II, to any declared working hours of their employees at other employers in case of parallel employment.

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