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## Newsflash

23 March 2020

### Employment Relations: Emergency Employers' and Employees' Support Measures

We hereby summarize the employment related measures introduced by the two latest Legislative Decrees (Official Government Gazette Bulletin A' 64/14.3.2020 and Official Government Gazette Bulletin A' 68/20.3.2020). The measures apply to companies whose operations have been suspended by virtue of a state order, companies which based on their Professional Activity Code (KAA) fall under the affected by COVID-19 companies, as well as to companies which continue to operate.

#### **Companies whose operations have been suspended by virtue of a state order**

- The support measures for the employees of companies in this category are as follows:
  - a. As of 18 March 2020 and for as long as the emergency measures are in force, dismissals are forbidden whereas any dismissals in violation of the restriction in question are invalid.
  - b. Employees are entitled to collect a special purpose indemnity to the amount of EUR 800 burdening the State Budget.

The special purpose indemnity cannot be seized or set off against any debts and is tax free.

- c. Full social security coverage of the employees by the State on the basis of their contractual salary.

Certain categories of employees are exempted from the above special support mechanism (for instance, employees working from home or employees whose employment agreement is not suspended because of the restriction of the companies' operation).

Further, specific obligations are imposed on the employer in order for their employees to collect the special purpose indemnity (filing of a Statutory Declaration with the Information System ERGANI for the eligible employees and notification of the above filing and its filing number – in writing or by electronic means – on the same day to the employee). Non

filing of the above Statutory Declaration entails exclusion of the employer from any beneficiary measures introduced (suspension or payment in instalments of amounts due, social security and tax obligations).

Thereafter, the employees personally file a Statutory Declaration in the electronic platform of the Ministry of Employment, including certain data (for instance, personal data, bank account details etc.).

#### **Affected Companies on the basis of Professional Activity Code (KAA)**

- Within one month from the publication of the Legislative Decree dated 20 March 2020 which can be extended by virtue of a Ministerial Decision, companies falling in this category can suspend their employees' employment agreements (all employees or part thereof).

Companies that benefit from the above possibility:

- a. Cannot proceed with dismissals during the period of suspension and any such dismissals in violation of the related restriction are invalid.
- b. Following the expiry of the suspension period, are obliged to maintain the same number of employees for a period of time equal to the suspension period.

Employees of these companies are also eligible to collect the above special purpose indemnity, and the above mentioned employer's and employee's obligations apply in this case as well.

#### **Other companies**

- Employees whose employment agreements were terminated during the period 1 March 2020 to 20 March 2020 (either by dismissal or resignation) are also entitled to collect the special purpose indemnity. The above mentioned employer's and employee's obligations apply in this case as well.

#### **Other employment relations' regulations**

- Employers whose activity is significantly affected or whose activity has been restricted can transfer personnel between companies of the same Group, on

the basis of a mutual agreement and on the condition that the total number of employees employed before the transfer is not reduced. The details for the application of the provision in question are anticipated to be set out in Ministerial Decisions.

- For a period of up to six months commencing on 20 March 2020, employers can appoint a “safe operation” personnel as follows:
  - a. Each employee can be occupied at least 2 weeks on a monthly basis (continuously or intermittently) and
  - b. The above organization of work is made on a weekly basis and covers at least 50% of the company’s personnel.

Employers that wish to benefit from the above possibility must not reduce the number of employees working for the company at the time the above system has been implemented and proceed with the required notifications with the Information System ERGANI. The details for the application of the provision in question are anticipated to be set out in a Ministerial Decision.

- The granting of the special purpose leave provided for in the Legislative Decree dated 11 March 2020 to parents employees of certain companies (companies engaged in the sectors of energy and water supply burdened with the continuous supply of the country with electricity, gas, liquid fuel and water, companies engaged in the production, transport and supply of goods, fuel, medicines and paramedical supplies to shops/companies selling the goods in question) is conditional upon a justified opinion of the companies’ management on the basis of the applicants’ position and duties.
- Employers who have exhausted the applicable limits of overtime occupation can continue to occupy their employees’ overtime without the approval of the Minister of Employer on the basis of an opinion of the Supreme Work Council under conditions.

Certain companies can extraordinarily and temporarily supersede the restriction of Sunday and public holidays work under conditions.

Both possibilities above are valid for a period of up to six (6) months from the entry in force of the Legislative Decree dated 14 March 2020.

### Other Comments

- Regarding Easter allowance, a new Legislative Decree is anticipated to be issued to provide both companies whose operation has been suspended by virtue of a state order and affected companies the possibility of payment by summer.
- Assisted by the Greek Health and Safety at Work Institute (EAINYAE), the Ministry of Employment has issued a very useful guide – tool for both employers and employees (Guidelines/COVID-19 prevention measures at work places).

The above Guide which, among other issues stresses the employer’s exclusive liability for securing their employees’ safety and health, also points the degree of necessity for the support of the Safety Technician

and the Work Doctor, whose assistance includes the drafting of a written assessment of the risks at the workplaces, to serve as a reference and accountability tool for the employer.

- However, employees’, associates’ and clients’ health protection measures must also take into account the data protection rules, and especially the guidelines issued by the Greek DPA and other scientific organizations and authorities.
- The continuance of this emergency situation for a large period of time could significantly affect companies’ financial situation and lead them, even the ones that continue their operation, to examine alternative employment structures (for instance, part time employment, rotating employment etc.). These scenarios however should be examined thoroughly and consider all aspects before any related decisions are taken.

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This Newsletter aims to provide the reader with general information on the above-mentioned matters. No action should be taken without first obtaining professional advice specifically relating to the factual circumstances of each case.

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