

## NEWSLETTER

### ▣ OMNIBUS LAW

(Various Issues Of Fiscal Interest)

November 2012

The **Medium-Term Fiscal Strategy Framework** 2013-2016 is ratified and implemented in practice through the enactment of Law 4039/2012 (the "**Law**").

The aim of this Newsletter is a first **systematization and codification** of the revisions of the Law (the provisions on the education – Paragraph I on Education– have not been included).

The Law, the Legislative Decrees ("**Legislative Decrees**") which have been issued and which are still pending as well as the remaining implementing legislation, introduce landslide changes in a number of areas, mainly of fiscal interest (public sector wages and pensions, financial monitoring of municipalities' expenses, reduction in pharmaceutical expenditure, reinforcement of RES account, recapitalisation of banks), whereas structural revisions are also introduced in other sectors, notably in the area of labour market, liberalisation of professions etc.)

For ease of reference and cross-referencing with the provisions of the Law, the structure of the Law (per paragraph) is also adopted in this Newsletter, which is further structured as follows: **(a)** Changes introduced by the text of the Law, **(b)** the Laws amended (on the basis of the explicit references in the text of the Law) and **(c)** anticipated further changes, on the basis of explicit provisions of the Law, without prejudice to the adoption of other reforms, not contemplated by the Law (if no reference to laws amended or to implementing legislation is made in the Newsletter, then this means that no explicit provision on the matter is made in the Law).

In the cases where the depth and extent of the relevant reforms (as indicatively is the case of tax and fiscal reforms, labour market, energy market, banking issues etc.) requires so, special newsletter per sector will follow, depending also on the further legislative evolution in such sectors.

As per the Legislative Decree that has been issued after the Law, all the secondary legislation contemplated under the Law to regulate further issues should be **adopted until 31.12.2012**.

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## Paragraph A'- Approval of the Medium Term Fiscal Strategy Framework 2013-2016

The Medium Term Fiscal Strategy 2013-2016 (hereinafter the “**Medium Term Fiscal Strategy Framework**”) is approved by virtue of the Law and constitutes an integral part thereof.

### (a) What changes?

1. The following issues are **regulated** with a five (5) year horizon:
  - The targets of the General Government and of its various subdivisions.
  - The target deficit of the General Government.
  - The general maximum ceiling of expenditure for the General Government.
  - Revenues and expenditure of the Central Government and expenditure per Ministry and per financial sector.
  - The maximum ceiling of the Social Budget and of the Consolidated Budgets of the Local Governmental Authorities.
2. An **analysis** on the following issues is set out in the Law:
  - The maximum ceiling of the State Budget, the Local Governmental Authorities and of Social Security Institutions per period.
  - The description and assessment of macroeconomic developments and forecasts for the next five (5) years period.
  - The assumptions of the economic and fiscal forecasts.
  - The risks for the fiscal forecasts.
  - The assessments per economic sector of gross revenues, expenditure, deficit or surplus.

## Paragraph B'- Provisions on the Pensions of the Public Sector

### Sub-paragraph B.1 - Pensions of Elected Personnel

#### (a) What changes?

1. **Pension of Members of the Parliament** (and the provision of **allowance** to the members of the Parliament) for those who acquire for the first time after the date following the coming into force of the Law the capacity of the member of the Parliament or Mayor: **Repealed**.
2. **Pensions of Pensioners of the Public Sector**, including those who obtain parliamentary pension or allowance, who serve or are hired in the wider public sector and obtain simultaneously pension or allowance and salary: **Reduced**.
3. **Elected bodies of the local Governmental Authorities**: they are **caught by the cuts** as long as they obtain simultaneously the pension or the allowance and the parliamentary compensation or the reward in their capacity as elected bodies of Local Governmental Authorities.
4. **Accrued insurance time with** any social security fund, as well as in the Public Sector: does **not give grounds** for or does not increase the parliamentary pension or pension of an elected body of a Local Governmental Authority.
5. **Pension of Chairmen and Vice- Chairmen of the Government as well as Pension of Chairmen of the Parliament**: They are addressed in the same way as the pensions of the members of the Parliament.

#### (b) Laws amended

1. L. 91/1943
2. L.D. 99/1974
3. L. 3513/2006
4. L. 2592/1998
5. L. 3865/2010.

#### (c) Referral to Implementation Legislation

**Details in relation to the insurance of the aforesaid persons (Members of the Parliament and Mayors):** These are regulated by a Joint Ministerial Decision of

the Ministers of Finance and Employment, Social Security and Welfare.

### Sub-paragraph B.2 - Pensions in general (sub-paragraph 2-9)

#### (d) What changes?

1. **Pensioners according to P.D. 169/2007** (Code of Civil and Military Pensions- article 56 as well as **Judges and members of the Legal Council of the State**): The retirement age is increased as of 1.1.2013 to 67 years (65 years for the judges and members of the Legal Council of the State) or the 62 years, provided that 40 years of pensionable service have been fully completed.
2. **Public Servants dismissed without fault: Abolition** of immediate retirement subject to limited scale of exemptions from the above scheme.
3. **Monthly pensions** (or the aggregates of monthly pensions and dividends) exceeding **Euro 1.000** arising from any kind of source or cause, according to what it is specifically provided under the Law: **Reduced**.
4. **Benefits of Christmas and Easter, as well as benefit leave for all pensioners of the Public Sector: Repealed**.
5. **Pension of unmarried daughters of deceased pensioners of the Public Sector**: The maximum thresholds are reduced and the benefit of "settlement" provided for under article 1 of Law 3670/2008 **is repealed**.
6. **Public Servants of Local Governmental Authorities and of other Legal Entities of Public Law, which are subject to the same pension scheme with the public servants of the public sector** as well as for the **personnel of the Railway Infrastructure Manager (OSE)** and of the insurance funds of the personnel of the railway networks: **Application by analogy of the above provisions**.

#### (e) Laws Amended

1. L. 2592/1998
2. L. 3847/2010

3. L. 3865/2010.
4. L. 2084/1992
5. L. 3865/2010
6. P.D. 169/2007
7. Paragraph (a) of paragraph 2 of the Legislative Decree “Measures for the Support of low remunerated pensioners” is substituted by virtue of the provisions of the Law.

## Paragraph C'- Regulation of Issues Pertaining to the General Secretariat for Fiscal Policy

### Sub-paragraph C.1.- Remuneration Provisions for the Public Sector

#### (a) What changes?

Within the framework of the implementation of the Medium-Term Fiscal Strategy Framework, the following have been adopted:

1. **Christmas, Easter and leave benefits** of officers and public servants of the Public Sector, the Local Governmental Authorities and of other Legal Entities of Public Law, the permanent officers of the Armed Forces, the Police, the Fire Department, the Coast Guard, salaried employees of the Legal Entities of Private Law and of the Public Sector: **Repealed** as of 1.1.2013.
2. Remuneration of **Chairmen of the Councils of the Local Governmental Authorities** and of the local ombudsman of the registered residents/citizens and of the Business Undertakings: **Reduced**.
3. Payment of allowances to the elected bodies of the Municipalities in consideration for their **participation in the meetings of the municipal councils**, committees etc.: **Repealed**.
4. Wages and any kind of fees and allowances of the **Managers etc., members of Board of Directors of Legal Entities of Public Law and Private Law and of the Local Governmental Authorities**: **Reduced** by 50%.
5. Wages of the **General Secretariat** of the Ministries and Decentralised Administrative Authorities as well as of the special secretariat of the ministries, of the chairmen and other members of **Independent Authorities**: **Reduced**.
6. All **wages under the special wages regime** (indicatively: judges, main personnel of the Legal Council of the State, members of the Teaching and Research Staff of the Universities, permanent officers of the Armed Forces, police personnel of the Hellenic Police, personnel of the Fire Department and of the Coast Guard): **Reduced** as of 01.08.2012.

#### (b) Laws Amended

There is no explicit reference in the text of the Law. The provisions of article 4 of Law 4024/2011 are cited in the text of the Law as amended, and in particular Chapter B of Law 4024/2011 is amended with regards to its field of implementation. The Joint Ministerial Decision KYA 2/17132/0022/28.2.2012 and the readjustment of the wages provided in the provisions of paragraph 5 of article 58 of Law 3528/2007 are repealed.

#### (c) Referral to Implementation Legislation

1. The **grading, appraisal and remuneration scheme applied to the personnel of the National Intelligence Service** as of 1.1.2013 and onwards will be set by a Joint Ministerial Decision of the Ministers of Ministry of Public Order and Citizen Protection, of the Ministry of National Defense and of the Ministry of Finance.
2. The **time and manner of refunding of unjustifiably paid wages or pensions**, arising from the implementation of the new compensation provisions for the Public Sector (obviously in the cases of retroactive reductions) will be regulated by a Decision of the Ministry of Finance.

### Sub-paragraph C2 – Payment of Due and Unpaid Financial Obligations of the Central Government

#### (a) What Changes?

For the purposes of settlement of outstanding due and unpaid obligations of the General Government the following is decided:

1. **Financial Obligations of the General Government** (i.e. Central Government, Ministries, Independent Authority Bodies, Local Government of all levels and Social Security Organisations): possibility to **fulfill due and unpaid financial obligations** towards third parties which (obligations) would otherwise be considered null, and thus not payable, on account of the fact that

(a) such obligations were undertaken contrary to the relevant procedure provided under the Public Accounting law and (b) exceeded the then applicable budget of their debtors.

2. **Funds available for repayment:** General Government bodies which are registered with ELSTAT's (the national statistic authority) registry may be subsidised by the State's Budget.
3. **Eligible financial obligations:** only those undertaken prior to **31.12.2011**, to the extent that they have been declared **due and payable** and are **legal** as to all other respects other than the procedure stated above as breached.

**(b) Laws Amended**

1. A provisional waiver from certain provisions of law 2632/1995 (on public accounting) and presidential decree 113/2010 is introduced.
2. Especially as regards military hospitals, marine hospital NIMITS etc, such waiver also entails provisions of law 2286/1995 and presidential decrees 60/2007 and 118/2007

**(c) Referral to implementation legislation**

1. A Memorandum of Understanding is required to be executed between the Ministry of Finance/General State Accountant on the one hand and the pertinent ministry on the other and a back to back MoU between such ministry and the body/debtor it supervises in order to ensure that the persons in charge shall henceforth strictly abide by the current provisions on undertaking of financial obligations.
2. All other details (if any) required for the implementation of the above provision will be regulated by virtue of ministerial decision issued by the Minister of Finance.

**Sub-paragraph C3 – Financial Obligations of the Greek Statistics Authority**

**(a) What changes?**

Because of the time discrepancy between the execution of third party services and the subsequent but non-retroactive approvals for

such services' cost by the Greek Statistics Authority, the following are provided:

**Financial Obligations of the Greek Statistics Authority: Repayment** of obligations towards third party associates, experts, legal advisors as well as employees for the period 2011-2012 is to be fulfilled through debiting the **current budget of the Authority** (as opposed to the standard procedure of debiting of the then relevant budget).

**(b) Laws Amended**

The law does not introduce amendments to current legislation, just a provisional waiver from the application of the standard procedure for debiting the Authority's budget.

**Sub-paragraph C4 – Guarantees provided by the National Entrepreneurship and Development Fund SA (ETEAN SA)**

**(a) What Changes?**

1. **Guarantees provided by ETEAN SA:** shall henceforth be paid – if forfeited– **in cash** and not through delivery of Greek Government Bonds (GGBs), due to the ongoing depreciation of GGBs which had a negative financial impact to ETEAN.
2. **Banks which have received GGBs by ETAN:** entitled to **return the GGBs to ETEAN and receive cash amounts** equal to the nominal value of the GGBs.
3. **Subrogation rights of ETEAN SA against the borrower:** continue to be exercised according to the provisions on enforcement of public claims and the body competent for their collection is the General State Accountant.
4. **ETEAN's share capital:** remains unaltered upon repurchase by the Greek State of the GGBs it has granted to ETEAN while the exchange of bonds for cash between lending banks and ETEAN SA's incurs a simultaneous reduction (for the amount of cash paid to the bank) and increase (for the nominal amount of the bonds) to the share capital of ETEAN.



**(b) Laws Amended**

The law regulating the payment by ETEAN SA of the guaranteed amount in GGBs (3557/2009) is amended in certain points referring to the exchange process while some relevant provisions therein are abolished.

**(c) Referral to implementation legislation**

1. The **GGBs' return and exchange procedure** and its special terms and conditions shall be determined by a decision of the Minister of Finance.
2. The **partial or total cancellation** of the exchanged bonds will also be determined by a decision of the Minister of Finance.
3. All other details (if any) required for the implementation of the above provision will be regulated by virtue of a joint ministerial decision issued by the Ministers of Development and of Finance.

#### Sub-paragraph C5 – Outstanding obligations of Local Government to the Consignments and Loans Fund (CLF)

**(a) What Changes?**

Settlement of facilities made available by the CLF to Local Government of all levels (including companies owned by them) either through **refinancing or extension of maturity dates**, as follows:

1. **Loans of Municipalities/Districts** which have or are to be executed for the purposes of balancing their budgets pursuant to the relevant provisions of the initial Greek Medium Term Fiscal Adjustment Program **are excluded** from the scope of the favorable provisions. However, the deadline to execute such loans whether with the CLF or other credit institutions **is extended** from 30.09.2012 to 03.06.2013.
2. **Maturity date of CLF facilities to Local Government and affiliate entities: deferred**

**once** for 8 years. A 3 year grace period is included therein when only interest (reduced by 0.5%) is paid. In order for such settlement to take effect, the borrower's competent body is required to take a relevant resolution and submit a request to the CLF by 31.12.2012. The scope of the provision entails facility agreements which have been approved but are yet to be executed until 30.06.2013.

3. **Settlement of Loans of Municipalities/Towns:** The maturity date deferral provided by Law 3943/2011 with respect to CLF loans contemplated thereby is **further extended** from 25 to 35 years.
4. **Refinancing of existing debit gaps of Municipalities/Towns towards CLF:** Current option provided by Law 3943/2011 **remains** and such gaps may still be funded by CLF itself through the procedure set out under such law; however the CLF refinancing should be provided (i.e. the new loan agreement must be executed) by 30.06.2013 further to a prior request submitted to CLF no later than 30.01.2013. Upon lapse of the said deadlines, the debit gaps are qualified as due and unpaid obligations collectable according to the provisions on enforcement of public claims (given the public nature of CLF)
5. **Withholding of the 9<sup>th</sup>/11<sup>th</sup> amount against interest payments of CLF Loans:** it is **suspended** for the loans of Local Government and affiliate entities and any such amount withheld is returned to the borrower; all suspended or returned withholdings along with any other amount due to the CLF prior to 1.12.2013 may be repaid in 11 (max) installments, starting from 31.01.2013, following a relevant decision of the CLF.

**(b) Laws Amended**

Laws 3943/2011 and 4038/2012 are amended as to the deadlines for settlements and loan maturity dates they contemplate.

## Paragraph D' – Regulation of Matters Pertaining to the Competence of the General Secretariat of the Ministry of Finance

### Sub-paragraph D.1 – Issues related to the recapitalisation of credit institutions

#### (a) What changes?

1. **Determination of the funding gap covered by the Deposits and Investment Guarantee Fund (DIGF):** The time frame within which the Bank of Greece (BoG) determines the final funding gap to be paid by the DIGF in case a credit institution (C.I.) acquires certain liabilities by another C.I. upon issuance of a transfer order by the BoG, is **increased** from three to six months.
2. **C.I.s to be recapitalised by the Hellenic Financial Stability Fund (HFSF) are requested to pay a sum amounting to € 555.600.000 in total.** The precise amount to be paid by each C.I. as well as the terms and conditions of the relevant payment will be determined in the preliminary subscription agreement which will be executed between the C.I. and the HFSF by 21<sup>st</sup> December 2012.
3. **C.I.s to be recapitalised** are also requested to pay a **fixed return amounting to 10%** on the capital subscribed by the Hellenic Republic for the issuance of preference shares by the C.I.s under law 3723/2008, by deviation from the applicable company laws. Exemption from such obligation is only provided in case the relevant payment would lead the main elements of the basic own funds of the C.I. in hand to fall below the thresholds provided by law.
4. **New management bodies of the HFSF. The powers of the two new HFSF management bodies are regulated** (Executive Committee and General Council). The term of office of the members of the existing HFSF management body (Board of Directors) will be terminated *ipso jure* upon appointment of the new management bodies.
5. **Share capital increases which will be**

**effected within the recapitalisation of C.I. (the SCIs):** The provisions determining the offer price of the shares which will result from the SCIs **are abolished**, as the relevant issues will be regulated through the issuance of secondary implementation legislation.

#### (b) Laws Amended

1. L. 3723/2008.
2. L. 3864/2010.
3. L. 3601/2007.
4. L. 4051/2012.

#### (c) Referral to implementation legislation

Act of the Ministerial Council determining, among others, the specific terms of the subscription agreements to be entered by the HFSF, the EFSF and the C.I. which will be recapitalised, the offer price of the new shares which will result from the SCIs and the terms and conditions for the capital enforcement of the C.I.s

### Sub-paragraph D.2 – Privatisations

#### (a) What changes?

1. **Metropolitan Park of Ellinikon – St. Kosmas:** The full and exclusive ownership rights over three plots located in the Metropolitan Park of Ellinikon – St. Kosmas, as well as over any building in this area are transferred to the Hellenic Republic and certain provisions regulate the registration of such transfer to the competent Cadastre Offices and Land Registries.
2. **Metropolitan Park of Goudi and plots located in Amarroussion:** The full and exclusive ownership, use and usufruct rights over three plots located in the Metropolitan Park of Goudi and in Amarroussion are transferred to the Hellenic Republic Assets Development Fund

(HRADF) and street planning provisions are approved.

3. **Other HRADF owned plots:** Special provisions are introduced (e.g. segmentation of land, establishment of special *in rem* rights, regulation of the existing concessions of *in rem* rights, etc) in relation to plots owned by HRADF.
4. **HRADF reporting obligations:** HRADF is requested to draft and publish on its internet site quarterly reports on its activities and of its financial statements.

**(b) Laws amended**

1. L. 4062/2012.
2. L. 3986/2011.

**(c) Referral to implementation legislation**

Presidential decree establishing and/or approving development plans for the plots transferred to the Hellenic Republic

**Sub-paragraph D.3 – Monitoring of public corporations budgets**

**(a) What changes?**

1. **Budgets of public corporations** (*societes anonymes* in which the Greek State may exercise, directly or indirectly, decisive influence,

also fall under the relevant provisions of the law. Exempted are corporations whose shares are listed and corporations which have been included in privatisation programs): Public corporations are requested to **ensure that there will be no negative deviations** in their annual budgets, as the latter are submitted to the Ministry of Finance.

2. **Budget implementation:** is **monitored** on a monthly and quarterly basis by the Ministry of Finance.
3. **Consequences of budget deviations: Sanctions** including deduction of the quantum of the deviation from the subsidy or loan which the public corporation in question was expected to receive during the following months, suspension of payment of the compensation to the BoD members of such corporation, and the automatic termination of the term of office of the said BoD members.

**(b) Referral to implementation legislation**

Decision of the Minister for Finance regulating the procedure for the monitoring of the implementation of the approved budgets of the public corporations which fall under the above provisions, the objective reasons for which such budgets may be revised due to external and unforeseen factors, the imposition of the provided sanctions and the information and data which to be submitted by the relevant entities.

## Paragraph E' – Regulation of Matters Pertaining to Public Revenues etc.

### Sub-paragraphs E.1. to E.7. – Code of Tax Recording of Transactions–Tax, Customs and other duties issues.

#### (a) What changes?

1. *The Tax Books and Records Code (P. D. 186/1992)* is **abolished** from 1.1.2013 and **replaced** by the Code of Tax Recording of Transactions, with main goal the simplification of the tax recording of the transactions, the facilitation of cross-checks, the limitation of the businesses' liabilities and relevant operating costs. However, many of the previous provisions are **maintained**. Some of the main changes are briefly mentioned below:

- **Tax books- Authentication:** tax books are **divided** into single and double entry books, whereas their authentication is **abolished**.
- **Dispatch Notes etc:** The provisions regarding the delivery note, the retail receipts and transport documents, as well as records regarding other transactions, shall be valid until 1.1.2014.
- **Warehouse book: Repealed.**
- **Relief from receipt issuance obligation:** Natural persons liable for tax recording are **exempt** from keeping tax books and issuing retail receipts, in case their gross revenues from the supply of goods and the provision of services realised in the previous year do not **exceed 10,000€**. However certain exceptions remain.
- **Form of issuance of invoices:** Invoices and retail receipts may be issued either in written or in electronic form.
- **Single daily VAT Entry:** The daily registration of the gross revenues and VAT may be effected through a single

record entry, irrespective of the nature and the series of the records.

- **Time for updating accounting books:** The deadline for the books update is related to the deadline for the filing of V.A.T. and income tax returns.
  - **Receipts and invoices from banks and payment of professional fees:** Any records issued by credit institutions for payments in cash exceeding the amount of 12,000 € and for any professional transaction payments should include the Tax Identification Number.
2. The Minister of Finance may appoint or terminate the appointment of the Head Officials of Departments, Sub-Directorates and Directorates, through the issuance of a sole decision, until the end of the Mid-term Framework of Fiscal Strategy.
  3. **General Secretary of Public Revenues:** The **newly established** the General Secretary shall be in charge of the Authorities for which the General Secretariat of Tax and Customs affairs previously competent for. A **“contract of efficiency”** shall be concluded between the General Secretary and the Minister of Finance.
  4. **Excise Duties (special consumption taxes (EDs): increased.**
    - for **LPG gas** used as **motor fuel** and
    - for **Diesel** used exclusively for **agriculture**.
    - **Tobacco:** the basis for its calculation is **modified**.
  5. **V.A.T. refund** to farmers (art. 41 par.2 of l. 2859/2000) is **reduced** to 6 % or 3 % in some cases.
  6. The professions of **customs brokers** and **certified assessors** are **liberalised**.

7. **Annual vehicle circulation duty:** the legal framework is **amended** and the physical supply of the special circulation vehicle sign is abolished.
8. **Casinos:** a **unified entrance** ticket of 6 € is introduced.
9. **Municipal real estate duties:** an **increase** of up to 3 % is possible in cases where the budgets of the Municipalities deviate from the targets.
10. **Bookkeepers- tax accountants:** their professional permit is substituted by a professional ID.
11. **The Administrative Procedure Code** is amended to the extent that the deadline for the filing of recourses for tax and customs disputes is reduced **to 30 days**. The relevant provision of law 4079/2012 is abolished.
12. **Gambling:** the taxation of gambling is amended as well as the provisions regulating the participation of the State to the profits of OPAP S.A. (Public Lotteries).

(b) **Laws Amended**

1. P.D. 186/1992 (Books and Records Code) – abolished from 1.1.2013.
2. Law 2960/2001 (Customs Code).
3. Law 2859/2000 (V.A.T. Code).
4. Law 718/1977 (provisions regarding customs clearance operations).
5. P.D. 279/1979 (provisions regarding certified assessors).
6. Law 2093/1992 (provisions regarding annual vehicle circulation tax).
7. Laws 2206/1994 and 3139/2003 (Provisions regarding Casinos).
8. P.D. 340/1989 (regarding the professions of bookkeepers-tax accountants).
9. Law 2717/1999 (Code of Administrative Procedure).
10. Law 2961/2001 (Code for the taxation of Inheritance, Donations, Parental Donation, Dowries and Profits from Gambling) and Law 4002/2011 (provisions regarding OPAP S.A. and gambling).

(c) **Referral to implementation legislation**

- **Theatre, cinema, concert and other art festival tickets:** through the relevant Ministerial Decision the conditions for their issuance as well as for the issuance of transport tickets appointed to third parties shall be regulated.
- **Implementation of art. 1- 11 of the Code of Tax Recording of Transactions** and the Directive 2006/112/EU: the Minister of Finance shall issue any necessary Decision including any decision for further simplification of the procedure.
- **A working group** shall be established so as to elaborate and submit its proposals for further simplification of the Code of Tax Recording of Transactions until 30.6.2013, through the issuance of the Decision of the Minister of Finance.
- **A special annual reward (bonus)** for the General Secretary calculated as a rate of the payment collections which exceed the annual target of the General Secretariat of Public Revenues may be awarded through the issuance of a Joint Ministerial Decision of the Minister of Finance and Administrative Reform.
- **Customs Regions:** by virtue of the issuance of a Decision of the Minister of Finance the number of Customs Regions may be increased or decreased and their boundaries or their registered offices may be amended.
- **Annual Vehicle Circulation Duty:** the procedure for the collection of the said duty by the competent authorities shall be determined by virtue of the issuance of a Decision of the Minister of Finance.
- **Penalties for future nonpayment of the vehicle circulation duty:** a Joint Ministerial Decision of the Ministers of Finance and Citizen's Protection shall determine the rate of the penalty, the collection procedure and any other necessary detail.
- **Penalties for past nonpayment of the vehicle circulation duty:** A Joint Ministerial Decision of

the Minister of Finance and the Minister of Development, Competitiveness, Infrastructure, Transports and Networks shall provide for the monitoring procedure for the collection of the said duty and its payment, as well as any other detail, in the course of the car transfers.

- **Casino tickets:** the ticket price for the entrance may be modified by virtue of the issuance of a Decision of the Minister of Finance as well as any other necessary detail.

## Paragraph F' – Regulation of Matters Pertaining to the Competence of the Ministry of Interior

### Sub-paragraph F.1 - Reduction of Counsels, Associates of Elected Members of the Local Governmental Authorities and Suspension in the Hiring and Appointment in the Local Governmental Authorities

#### (a) What changes?

1. **Special positions of associates and special counsels to the Local Governmental Authorities:** These are **re-determined**, surplus positions are **abolished** and the relevant contracts are terminated without compensation.
2. **Hiring of Permanent Personnel/ employment agreements of private law:** All the hiring of category EY and DE are **suspended** until 31.12.2016.
3. **Municipalities in islands:** are **exempted** from the above provisions.

#### (b) Laws Amended

Any contrary provision is superseded by the changes in the Law.

### Sub-paragraph F.2 – Granting of Use within Sites of Common Use and in Buildings owned by Local Authorities/Legal Entities of Public Law against Consideration

#### (a) What changes?

13. **Licensing of premises on Sites of Common Use:** **abolition** of unjustified restrictions in the licensing process and of unjustified conditions of operation of kiosks, barber's shops, cafes within sites of common use and buildings owned by Local Authorities against consideration. Harmonisation of the legal framework in accordance with the principle of financial freedom (Constitution, article 5 par. 1 and 106 par. 2)
14. **Granting of use rights within Sites of Common Use against consideration:** **regulation of** the process is (exclusively on the basis of public tender), the deposit of a bank

guarantee is required, further granting of use rights is prohibited, etc.

1. **Transitional provisions:** the existing licenses are valid (remain in force) are explicitly non transferrable, charge payment obligation as of 01.01.2014.

#### (b) Laws Amended

Any contrary law is superseded by the changes in the Law.

### Sub-Paragraph F.3 – Monitoring Department on Financial Independence of Local Authorities

#### (a) What changes?

1. **Monitoring of the Budget of Local Authorities: a Monitoring Department on the Financial Independence of the Local Authorities,** that shall follow up the correct budget execution and the general progress of Local Authorities and of their entities, monitor their annual action plan and their five years' program.
2. **Targets of Local Authorities: Compulsory** monthly and quarterly targets relating to incomes and expenses.
3. **Sanctions in case of any deviations from the targets:**
  - Wide spectrum of measures in case of any deviation from the targets are indicatively enumerated (i.e. hiring restrictions, compulsory interinstitutional transfer of public servants, increase of proper income through taxation, fees, charges and contributions, etc.)
  - **Municipal Real Estate Duties:** an increase of up to 0.3% is possible until full rehabilitation of the Municipality

- **Temporary Residents' Duty:** increase of the duty on their gross revenues, which may vary from 0,5% up to 2%.

4. **Public Procurement Contracts: Validation of** public procurement contracts that fall within the exclusive competence of Peripheries that have been concluded from 01.01.2011 until the promulgation of law, provided that they have been signed by the Chief of the Managing Department or Supervising Department or Service.

4. **Deadline for the discharge of principal debts of Local Authorities towards Greek State and**

**Social Security Funds:** The deadline for the discharge of communal debts vis-à-vis the Greek State and Social Security Funds is **extended** until 31.12.2012 and enforcement proceedings on movable and immovable assets are suspended, provided that enforcement proceedings relate to debts actually being paid off or offset. Prosecution of the responsible parties according to the provisions of article 25 of Law 1882/1990 (FEK A/43) as in force, is equally suspended and execution of criminal sanctions imposed against the offenders is either deferred (if not yet occurred) or suspended.



## Paragraph G' – Regulation of Matters of the Ministry of Administrative Reform

### Sub-Paragraph G.1.- Interinstitutional transfer- Transfer of Personnel

#### (a) What Changes?

1. **Compulsory (for the civil servant or employee) interinstitutional transfer or transfer:** The relevant compulsory regime **is introduced**. This concerns permanent civil employees and personnel of private law with indefinite duration employment agreements, who are engaged in the wider Public Sector (national employees under the meaning of article 5 of Law 4024/2011), the Local Governmental Authorities, the Legal Entities of Public Law and the independent authorities, so as cover operational needs.
2. **Sanctions for non compliance:** serious disciplinary **sanctions are adopted** (downgrading as a minimum).

#### (a) Laws Amended

There is no explicit reference in the text of the Law. The regime of mobility of state employees” is expanded following the provisions of article 5 of Law 4024/2011.

#### (c) Referral to Implementation Law

Criteria to be taken into account for the definition of the employees subject to interinstitutional transfer or transfer, the relevant process as well as any other necessary detail for the implementation of the Law: The Minister of Administrative Reform and Electronic Governance to adopt relevant decision.

### Sub-Paragraph G.2 - Labour Reserve

#### (b) What Changes

**Placement under labour reserve due to abolition of regular employee positions:** **Additional measure** to the possibility of voluntary interinstitutional transfer provided for under the provisions of article 154 par. 4 of the Civil Servants Code and article 158 par. 4 of the Code of Municipal and Communal Public Administrative

Employees, the compulsory interinstitutional transfer, the transfer with simultaneous conversion of the service status, the temporal appointment and the transfer to re-educational and re-training programs.

#### (c) Laws Amended

There is no explicit reference in the text of the Law. By interpretation, the measures may be construed as amending the provisions of articles 154 par. 4 of the Civil Servants Code and article 158 par. 4 of the Code of Municipal and Communal Public Administrative Employees.

#### (d) Referral to Implementation Law

**Definition of the criteria and of the process of transfer to re-educational and re-training programs** as well as any other necessary detail: The Minister of Administrative Reform and Electronic Governance is authorised to regulate any further issues.

### Sub-Paragraph G.3 – Suspension

#### (a) What Changes?

1. **Automatic Suspension** (public servants, employees of Local Governmental Authorities, court employees). **Cases of application are extended.**
2. **Reinstatement to their duties** of the employees placed under suspension: This is now **possible**, if dictated by the interest of the relevant department. Internal transfer of the reinstated employees is also possible.
3. **Potential Suspension: Amendment** of the relevant provisions.

#### (b) Laws Amended

1. Code of Public Civil Administrative Servants and of Employees of Legal Entities of Public Law (Civil Servants Code, Law 3528/2007, articles 103 and 104).

2. Code of Municipal and Communal Employees (Law 3584/2007, articles 107 and 108).
3. Code of Court Employees (Law 2812/2000, articles 88 and 89).

#### Sub-Paragraph G. 4- Abolition of certain specialisations and positions

##### (a) What changes?

1. **Regular positions of the Secondary Education category and of the specialisations Administrative, Administrative-Accounting, Administrative-Financial and Administrative Secretaries** engaged on the basis of private law arrangements for an indefinite period of time, who have not been selected through a competitive examination or upon a selection process on the basis of objective and prefixed criteria under the control of an independent authority (presumably Supreme Council for Civil Personnel Selection) or upon special selection process with increased standards of transparency and of merit based system (not clarified): **Abolition of positions** in the departments and in the administrative bodies that are mentioned in sub-paragraph G.1.1. (Public Sector, Local Governmental Authorities, Legal Entities of Private Law of the Public Sector, Legal Entities of Public Law, Independent Administrative Authorities).
2. **Consequences for employees whose regular positions are abolished:** put in **labour reserve**.
3. **Exceptions:** This provision does not apply to Social Security Funds (not clarified) the Social Protection Organisation for Employment of the

Workforce, hospitals, General Secretariat of Culture of the Ministry of Culture, of the Ministry of Education and of Religious Affairs and of the Ministry of Sports. The implementation of such provision depends on the number and percentage of persons concerned and which are active per department or body of the public sector

##### (b) Laws Amended

Such revision does not affect any legislative provisions in force.

#### Sub-Paragraph G. 5 – Restriction in hiring

##### (b) What changes?

1. **New Hiring Ratio rule** (1:5 or “one new hire for five retirements”): **extended** until December 31th, 2016.
2. **Hiring of personnel for an definitive duration on the basis of an employment agreement of private law** and employment agreement (exceptional personnel) and hiring of revocable employees in sectors that fall **within** the scope of presidential decree 63/2005 (Code of legislation on government and on governmental bodies) and in the sector of decentralised administration: **Reduced**.

##### (c) Laws Amended

1. Law 3833/2010
2. Law 3986/2011 (first sub-paragraph of paragraph 3 of article 37)
3. Law 2190/1994 (paragraph 11 of article 17 is replaced).

## Paragraph H' - Provisions on Issues related to Ministry of Development, Competition, Structures, Transports and Networks

### Sub-Paragraph H.1. – General Commercial Registry (G.C.R.)

#### (a) What changes?

1. **Establishment of companies through the One-Stop-Shop Services:** (a) The obligation to submit a Certificate of Good Standing of the competent Social Security Fund for the partners and/or administrators or members of the BoD (depending on the legal form of the company under establishment) **is repealed**. The One-Stop-Shop Services will notify the competent Social Security Funds with respect to the establishment of the company and the particulars of the partners /administrators /members of the BoD (b) the obligation of the Steering Committees of the Greek Notary Associations and of the Chairmen of the Greek Bar Associations to suggest the content of the templates Articles of Incorporation **is repealed**.
2. The aforementioned changes aim to the simplification of the procedure of establishment of companies through the One-Stop-Shop Services.
3. **Trainee estate agent:** The institution of trainee estate agent **is repealed**.

#### (b) Laws amended

1. L. 3853/2010 (articles 5, 6, 7 & 12)
2. L. 4072/2012 (articles 197, 198 & 199)

### Sub-Paragraph H.2. - Tenancy of Vehicles along with their drivers for private use of passengers

#### (a) What changes

**Leasing cars along with their drivers: Aiming towards** the improvement/upgrading of the offered tourist product, the cover of new needs in the tourist market/industry and the creation of new job positions.

- Adoption of provisions **permitting** to tourist offices, offices of renting cars and companies of public passenger cars to lease/rent a car along with a driver through a pre-reservation based on contractual agreement.
- Definition of the **characteristics of the drivers** of the above mentioned vehicles and of the vehicles themselves.
- Adoption of **similar provisions** concerning **clients of main hotel resorts**.
- Provisions on **penalties and sanctions imposed** on the offenders of the above mentioned provisions.

#### (b) Laws Amended

No laws amended. Adoption of entirely new provisions concerning the above mentioned matter

#### (c) Referral to Implementation Legislation

The terms and conditions under which the above enterprises are to be founded and provide services and every other relevant detail will be defined by a joint Ministerial Decision signed by the Minister of Development, Competition, Structures, Transports and Networks and the Minister of Tourism

**Ministerial Decision 48936/4664 and Joint Ministerial Decision 15732/18.11.2012** : Contains provisions regarding the terms and conditions under which the above enterprises are to be founded and provide services, the characteristics of the drivers and the vehicles and the penalties and sanctions imposed on the offenders of the above mentioned provisions.

### Sub-Paragraph H.3 – Distribution of baby food

#### (a) What changes?

1. **Retail outlets of distribution of baby milk (for babies up to 6 months):** All the restrictions for the retail outlets for distribution of baby milk and of baby confections are **abolished**.

2. The purpose of the legislator is the decrease of the prices to the benefit of the end-consumer, in line also with the relevant EU legislation.

**(b) Laws amended**

Joint Ministerial Decision Y1/Γ.Π. 47815/2008 of Ministers of Finance and Health (amendment of article 1 para 2 and repeal of article 2 para 2).

**(c) Referral to Implementation Legislation**

**Way of distribution to the end consumer:** Joint Ministerial Decision of Ministers of Development and Health may regulate the above issues.

**Sub-Paragraph H.4- Removal of Restrictions in the distribution of tobacco**

**(a) What changes?**

1. **Placement of tobacco in supermarkets:** **Permitted** in a designated area after the cash desk.
2. **Abolition of advertisements in internal spaces of retail outlets:** This has not been adopted (although in the Explanatory Report to the Law there was an intention to adopt such measure, which, however, has not been included in the Law).

**(b) Laws amended**

Law 3730/2008 (inclusion of new paragraph 6 in article 2).

**Sub-Paragraph H.5 – Amendments in the Profession of Accountant**

This is addressed in Paragraph E (Tax Issues).

**Sub-Paragraph H.6. - Supplementing provisions of Laws 1906/1990, 3614/2007 and 4070/2012.**

**(a) What changes**

1. **Function of International Bus Lines:** Adoption of provisions targeting towards the stabilisation of the function framework of the international bus lines.
2. **Co-Financed public projects:** Accommodation of the smooth and stable financing of the existing or future co-financed public projects by **depositing 10% of the calculated budget to the companies involved to the projects** mentioned.
3. **Registration certificates with the Registry of the Contractor Companies:** **Extension** of validity period of the registration certificates to the Register of the Contractor Companies of the General Secretariat of Public Projects of Ministry of Development, Competition, Structures, Transports and Networks for all companies between 3<sup>rd</sup> till 7<sup>th</sup> class until 30 June 2013.
4. **Contribution fees in favor of the Technical Chamber of Greece:** **Abolition** of the engineers' to pay contribution fees in favor of the Technical Chamber of Greece for its operational expenses.

**(b) Laws Amended**

1. Law 1906/1990
2. Law 3614/2007
3. Law 4070/2012.

## Paragraph I ‘ – Issues relating to the Ministry of Environment, Energy and Climate Change

### Sub-paragraph I.1. – Abolition of Minimum Fees

#### (a) What changes?

1. **Minimum Fee for energy inspection: Repealed.**
2. **Minimum fees for engineers: Repealed.**

#### (b) Laws amended

Presidential Decree 100/2010.

### Sub-paragraph I.2. – Issues relating to RES and Combined Heat and Power (CHP) High Efficiency Plant

#### (a) What changes?

Due to the deficit of the RES Special Account the purpose of which is to compensate the RES and CHP of High Efficiency producers for the energy injected into the electricity system by their power plants and in order for the Greek State to secure the payments towards such producers without overburdening the end consumers (household, industrial etc.) through an exorbitant second increase of the RES Special Duty, which was recently significantly increased and which constitutes the main and most permanent revenue of the RES Special Account, the following provision was introduced:

1. **Special extraordinary “solidarity” fee for RES:** A special irregular “solidarity” fee is **levied** on the producers of electricity through RES and CHP of High Efficiency and is calculated as a percentage on the, pre V.A.T., sale price of electricity which is injected by the producer into the System or the Interconnected Network or the electrical systems of the non-interconnected islands. This “solidarity” fee shall be calculated as follows:

- **Levels of the extraordinary “solidarity” fee:**

<b>RES type</b>	<b>% Fee</b>	<b>Critical date of commencement of trial operation or activation of the connection.</b>
<b>PV power plants</b>	25%	Until 31/12/2011
<b>PV power plants</b>	30%	After January 1, 2012, (the price of the produced energy is calculated based on the values of the table of article 27A of Law 3734/2009, as in force, which corresponds to a period before February 2012).
<b>PV power plants</b>	27%	After January 1, 2012, (the price of the produced energy is calculated based on the values of the table of article 27A of Law 3734/2009, as in force, which corresponds to a period between February 2012 and August 9, 2012).
<b>Other types of RES and CHP of High Efficiency</b>	10%	
<b>PV power plants</b>	0%	Price of the produced energy is calculated based on the values of the table of article 27A of Law 3734/2009, as in force, which corresponds to a period after August 9, 2012.
<b>PV power plants of the Special Program for the Development of Photovoltaic Systems on Buildings</b>	0%	

- **Calculation method and payment of the fee:** The amounts corresponding to the abovementioned fee shall be calculated and **withheld** by the respective operator (LAGIE S.A. or DEDIE S.A.) within the framework of the settlement procedure performed by the operator, who shall in turn inform the producer for the withholding amount by means of a settlement notice.
- **Purpose of the fee:** The fee is considered to be revenue of the RES Special Account (of Article 40 of Law 2773/1999).
- **Validity Period:** Two (2) years (between 1.7.2012 and 30.6.2014) with an option to extend for one more year.

**2. “Locking” of the PV FIT**

The following provision was introduced in order to prevent the overcompensation of PV producers and protect the end consumers from disproportional overcharges.

- **For new PV projects: electrification of the power plant:** (the FIT applicable to a PV power plant shall from now on be “locked” on the date of commencement of the trial operation period of the plant or, if no such testing operation is required, on the date of activation of the connection of the power plant to the System or the Network, as the case may be.
- **Transitional provision:** PV producers who have already submitted a full application file for the signing of the Power Purchase Agreement (PPA) or have already signed the PPA have the **right to retain the FIT** “locked” on the date of submitting their full application file on the condition that their PV power plant will be set in operation within a specific time period from the entry into force of the present law.
- **Consequences for a power producer due to a false statement of readiness**

*of the power plant: penalty imposed to the producer.*

- **Delay in the activation of the connection for reasons attributed to the operator: “locking” of the FIT applicable at the date of submission of the relevant PPA application** to the operator and compensation of the interested parties in the case where the respective operator shall not comply with its obligations to activate (temporarily or permanently) the connection of a PV power plant within a time frame of four (4) months from the submission of the initial request (protection of the producer).
- 3. **Connection Agreement:** determination of specific **time limits** to the operators for the conclusion of the Connection Agreement with RES and CHP power plants of high efficiency and for the completion of the construction of the connection works falling within the scope of the work of the respective operators so that the licensing process of RES projects will be expedited.
- 4. **Special RES Duty issues (introduced by means of a supplementary legislative act):**
  - **Determination of the methodology for the allocation of the RES Special Duty** on the basis of the consumer’s consumption not by virtue of a presidential decree, as it has been the case so far, but by virtue of a decision of the Minister of Environment, energy and Climate Change following an opinion from RAE.
  - **Determination of the numerical factors** of the abovementioned methodology by a decision of RAE issued in the Government Gazette, on the 12<sup>th</sup> month of each calendar year following a budget estimation of the revenues and the expenses of the RES Special Account.
  - **Adjustment of the unit charges** through the same process described above, on the 6<sup>th</sup> month of each calendar year in order to be applied

during the time period between the 1<sup>st</sup> of July and the 31<sup>st</sup> of December of the same year, in the case this is required by the progress of the revenues and the expenses of the RES Special Account within the same year.

- **Especially with regard to the time period between 2013-2014** the level of the unit charges shall be determined in a way that the deficit of the RES Special Account will be eliminated until the end of this two year period.
  - 5. **Energy Efficiency Certification and Energy Inspectors:** By means of a supplementary Legislative Decree issues relating to the qualifications of the Energy Inspectors as well as the licensing process and their registration in the relevant registers are regulated. Finally, provisions are included regarding the validity period of the Energy Efficiency Certificate.
- (b) **Laws Amended**
1. L. 3734/2009 (Article 27<sup>A</sup> para. 5) as amended by Article 186 para. 1 of Law 4001/2011.
  2. Law 3468/2006 (Introduction of new provisions in Article 11 para. 4).
- (c) **Referral to Implementation Legislation**
1. Upon a decision of the Minister of Environment, Energy and Climate Change, the obligation to pay the abovementioned special, extraordinary “solidarity” fee may be extended for one more year.
  2. A decision of the Minister of Environment, Energy and Climate Change shall regulate any issue necessary for the implementation of the provisions relating to the imposition of the “solidarity” fee.

**Sub-paragraph I.3. – Issues relating to the transportation of fuels (amendment of provisions of Law 3054/2002)**

- (a) **What changes?**
1. **Transportation of fuels by tankers: liberalisation.**

- **Independent tank stations:** Transportation of fuels by self-owned or leased road tankers irrespective of their load capacity, on the condition that the relevant police and safety regulations for the transportation of fuels are complied with as well as option to lease public service road tankers without having to limit the self-owned road tankers.
  - **Entry of road tankers in oil refineries and tax storeys irrespective of their size:** All road tankers are **allowed** to enter into oil refineries and tax storeys for the transportation of fuels by using their own trade mark on the condition that the relevant police and safety regulations for the transport of fuels are complied with.
  - **Illicit trade of fuels:** Special measures are taken in order to combat the illicit trade of fuels during all stages of their transportation.
  - **Holders of Trade Licenses, Retail Licenses (including independent tank stations) and Biofuel Supply Licenses:** The different fuel transportation status applicable to all three categories of license holders is now **emulated**.
  - **The above License holders are allowed to use third party transporters for the transportation of their fuels:** **allowed**
  - **Marking of the transportation units and use of electronic control devices:** The law regulates special issues relating to the marking of transportation units and the use of electronic control devices (GPS, control of the quantity and quality of the transported fuels).
  - **Breakdown of liabilities during the transportation of fuels:** The Law clarifies issues relating to the **breakdown** of liabilities during the transportation of fuels.
2. **Number of the co-signing ministers** is reduced in order to expedite the process of the issuance of the required regulatory administrative acts.
- (b) **Laws Amended**
- L. 3054/2002.
- (c) **Referral to Implementation Legislation**
1. **Transportation of fuel products by the license holders:** A Joint Ministerial Decision of the Minister of Environment Energy and Climate Change, of the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks and the Minister of Finance shall regulate the details for the transportation of fuel products by the license holders in accordance with the provisions of the present law.
  2. **Marking of the transportation units for the transportation of biofuels:** A Ministerial Decision of the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks shall regulate the relevant details.
  3. **Application of the provisions regarding the marking of transportation units, road tankers and supply vessels as well as the technical details per fuel kind:** A Joint Ministerial Decision of the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks and the Minister of Shipping and Aegean Sea, where required shall regulate the relevant details.
  4. **Application of the provisions regarding the marking of transportation units with regard to the Retail Trade:** A Ministerial Decision of the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks shall regulate the relevant details.
  5. **Specifications, the process and the installation terms of electronic devices for the geographic positioning system, the exact application time line, the specific categories of road tankers (of public or private services) and supply vessels which have to comply with this obligation:** A Joint Ministerial Decision of the Minister of Development, Competitiveness, Infrastructure, Transportation



and Networks and the Minister of Shipping and Aegean Sea, where required, shall regulate the above issues as well as any necessary detail. [the relevant Ministerial Decision has been **issued** (GG B 3052/18.11.2012)]

6. **Evaluation of the information extracted from the GPS of the transportation units:** The specifications, the process and any other necessary detail for the implementation of the system through which the information extracted from the GPS of the transportation units will be evaluated, shall be regulated by means of a Ministerial Decision similar as above.
7. **Electronic digital pass of the road tanker and its trailer:** A Ministerial Decision of the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks shall regulate the specifications, the process and the installation terms of the electronic digital pass of the road tanker and its trailer, the exact application time line, the specific categories of road tankers (of public or private services) and supply vessels, which have to comply with this obligation as well as any other necessary detail.
8. **Electronic devices securing the quality and quantity of the fuels during the transportation of pre-measured fuel quantities:** A Joint Ministerial Decision of the Minister of finance, the Minister Development, Competitiveness, Infrastructure, Transportation and Networks and the Minister of Shipping and Aegean Sea, where required, shall regulate the specifications, the process and the installation terms of the electronic devices securing the quality and quantity of the fuels during the transportation of pre-measured fuel quantities, the exact application timeline, the specific categories of road tankers (of public or private services) and supply vessels, which have to comply with this obligation as well as any other necessary detail.
9. **Road tankers of companies which hold Trade License, Retail License and Biofuel Supply license:** A Joint Ministerial Decision of the Minister of finance, the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks and the Minister of Environment, energy and Climate Change shall regulate issues relating to the grant of traffic licenses for road tankers of private services, which the

license holders for Fuel trade, Retail Trade and Disposal of Bio fuel may own and more particularly: a) the prerequisites for the grant of traffic licenses b) the terms and limitations for the exercise of rights granted by means of the traffic licenses c) the issuance process of the traffic licenses d) the relevant issuing authorities and the documents to be submitted καί e) the transitional provisions for the companies which already hold traffic licenses. [the relevant Ministerial Decision was recently **issued** (GG B 3052/18.11.2012)]

10. **Tracking of fuels:** A Joint Ministerial Decision of the Minister of Finance and the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks shall regulate the specific kinds of liquid fuel falling under the provisions for the tracking technology as well as the technical issues for the application of the above measures per category of fuel and any other necessary detail.

#### Sub-paragraph I.4. – DESFA issues (amendment and addition of provisions of Law 4001/2011)

##### (a) What changes?

1. **Unbundling of the Transmission System Operators** (and supervision of the Independent Transmission System Operators, monitoring of the Transmission Systems Development Programs, appointment and release of the Compliance Officer): **Extension of RAE's jurisdiction** also on the natural gas sector and the Operator of the respective Transmission Systems.
2. **Structure and operation of the Gas Transmission Systems Operators:** **Adjusted** on the basis of the European legislation.
3. **DESFA S.A as Independent Transmission Operator:** The provisions introduced are similar to the one applicable to ADMIE S.A. which is the operator of the Electricity Transmission System.
  - **Immediate adoption** of the ITO unbundling model so that the quick commencement and completion of its certification process as Operator of the National Natural Gas Transmission System (NNGTS) Operator is eased. The

ownership unbundling is also provided for as an option, in the case this will be required.

- **Detailed regulation of the structure and the operation** of the DESFA S.A. as Independent Transmission System Operator especially with regard to issues which deviate from the respective legislative provisions for Societe Anonymes.
- **Regulation of the relation** with the Public Gas Company (DEPA S.A.), the measures to be taken securing the independent operation of the company, its administration and personnel.
- **Development of the NNGTS**
- **Powers of RAE** regarding the appointment of an Independent Transmission System Operator.
- **Deadlines for the completion of the actions required by the DESFA S.A.** for its certification as operator of the NNGTS.

4. **National Action Plan – Combat of Energy Poverty:** The deadline for the issuance of the Ministerial Decisions required for the introduction of measures necessary to combat the energy poverty and the drafting of the national action plans is **extended** until 31.07.2013.

(b) **Amended laws**

**Law 4001/2011** (replacement of Articles 18 para. 4, 20 para. 162,196 para. 9 and introduction of Articles 63<sup>A</sup>-63I)

(c) **Regulatory acts to be issued by authorisation of the Law**

1. A decision of RAE shall further specify the details regarding the notification process of the suggested members of the Supervisory Board and their evaluation criteria.
2. A decision of the Minister of Environment, Energy and Climate Change shall approve the Procurement and Projects Regulations for DESFA S.A on the basis of which the DESFA S.A. shall execute its Development Program.

## Paragraph IA' – Provisions regarding OAED – Social Security and Pension Provisions within the authority of the Ministry of Labour, Social Insurance and Welfare

### Sub-paragraph IA. 1 – Provisions regarding the Labour and Employment Organisation (OAED)

#### (a) What changes?

1. **Special unemployment subsidies** and other special income unemployment subsidies: all **abolished** as of 1.1.2013.
2. **Long-term unemployment allowance: Introduced** as of 1.1.2014, for Greek as well as EU citizens who are insured against unemployment and are continuously unemployed for more than 12 months and under the condition that they are no longer entitled to receive the regular unemployment benefit and their family income does not exceed 10.000 euros.

#### (b) Laws amended

As of 1.1.2013 the following provisions are being abolished:

1. L. 2778/1999 (article 43 with the exception of par. 5).
2. L. 2941/2001 (article 43 with the exception of par. 8.)
3. L. 3016/2002 (the provision of par. 1 of article 27 is no longer in effect as of 1.1.2014.)
4. L. 3144/2003 (article 43).
5. L. 3302/2004 (article 4).
6. L. 3385/2005 (par.. 4 of article 14)
7. L. 3408/2005 (articles 10 and 11, with the exception of par. 4 of article 11)
8. L. 3460/2006 (article 13), as amended by article 11 of law 3660/2008.

9. L. 3518/2006 (par. 4 and 5 of article 69).
10. L. 3526/2007 (par. 4 and 5 of article 69, with the exception of par. 10 and 11.)
11. L. 3667/2008 (par. 2 and 3 of article 1, as well as article 2).
12. L. 3717/2008 (article 3).
13. L. 3746/2009 (article 75).
14. L. 3762/2009 (article 32).
15. L. 435/1976 (article 32).

#### (c) Reference to Implementing Legislation

The age limits of the beneficiaries, who cannot be less than 20 and more than 66 years old, the criteria required in order to become a beneficiary, the procedure of granting the benefits, the amount of the benefit, as well as the procedure, the place, the way and the time of grant, the required documents, the terms, the requirements and the procedure for suspension or revocation of the benefit as well as any other issue related to the benefit are determined and particularised with JMD of the Ministers of Finance and Labour, Social Insurance and Welfare.

### Sub-paragraph IA. 2 – Uniform Child Support Allowance

#### (a) What changes?

**Uniform child support allowance: introduction** of an allowance, which is granted after taking under consideration the number of dependent children, the equivalence scale, the equivalent income and the income category.

**(b) Laws amended**

1. L. 3454/2006 (par. 1 of article 1),
2. L. 3454/2006 (par. 1 of article 1), as amended and currently in effect, as well as the delegated provisions, are being abolished as of 1.11.2012.
3. L. 3631/2008 (par. 1 of article 1),
4. L. 3918/2011 (articles 42 and 43), cease to be effective as of 1.1.2013.
5. L. 4025/2011 (par. 3 of article 21 and par. 22 of article 27), as amended and currently in effect, are being abolished as of 1.1.2013.
6. L.1892/1990 (par. 1 and 4 of article 63).

**(c) Reference to Implementing Legislation**

The procedure of granting and payment of the allowance as well as the payment institution of same are determined by JMD of Ministers of Finance and Labour, Social Insurance and Welfare. Similar decisions may redraw the competent payment authority and readjust the amount of said allowances.

**Sub-paragraph IA.3 - Pilot Implementation of Minimum Guaranteed Income****(a) What changes?**

A pilot scheme comes into force **as of 1.1.2014** to target relief of extreme conditions of poverty in conjunction with the implementation of individual programs of re-integration in the society and the labour market.

**(b) Laws amended**

There is no specific reference to any Laws amended (although an intention to replace a nexus of existing measures which aim to support more vulnerable groups is clearly evident).

**(c) Referral to Implementation Legislation**

The details of the program (eligible individuals, basis of calculation and level of minimum income per individual/family etc.) will be fixed through a Joint

Ministerial Decision of the Ministers of Finance and Employment Social Security and Welfare.

**Sub-paragraph IA.4 – Retirement Age Increase****(a) What changes?**

1. ***The retirement age limits of Social Insurance Institutions within the authority of the Ministry of Labour, Social Insurance and Welfare and of the Bank of Greece:***

- All limits, where applicable will be **increased by 2 years** as of 1.1.2013.
- **Exceptions:** The following categories are excluded from the retirement age or/and insurance time increase: a) insured women entitled to a pension pursuant to general, special or statutory provisions in force, as mothers of children incompetent for any employment activity and the widowers fathers of same, b) persons insured with the abovementioned Social Security Institutions that have been placed in labour reserve under law 4024/2011.
- **In case of accrued retirement rights until 31.12.2012:** said rights will not be affected and may be exercised at any time due to the fulfillment of the requirements of the necessary insurance time and the age limits, where provided.

**Sub-paragraph IA. 5 – Reduction in Pensions and Lump-sum Payments****(a) What changes?**

***Monthly pension or the aggregate amount of monthly pensions received from any source and on any basis whatsoever and exceeding 1.000 euros:*** will be **reduced** as of 1.1.2013 as follows:

Reduction base (pension amount)	% of reduction of the total amount	Reduction limit (minimum remaining amount of pension after the reduction)
From 1.000,01 € and up to 1500,00 €	5%	1.000,01 €.
From 1.500,01 € up to 2.000,00 €	10%	1.425,01 €.
From 2.000,01 € up to 3.000,00 €	15%	1.800,01 €.
From 3.000,00 € and above	20%	2.550,01 €.

**(b) Reference to Implementing Legislation**

1. **The new technical basis for the lump-sum payments of the welfare institutions-departments**, as well as any other necessary detail for its implementation will be determined with a decision of the Minister of Labour, Social Insurance and Welfare, which shall be issued until 31.12.2012, following the agreement of the National Actuarial Authority.
2. As of 1.1.2014 the lump-sum payment, which is granted to all insurers of the welfare institutions-departments, will be calculated according to the new technical basis for the lump-sum payments.

**Sub-paragraph IA.6 – The Maximum Ceiling for Insurable Earnings – Redesign of the Retirement for the Uninsured –Common Control and Payment of Pensions System and Other Provisions**

**(a) What changes?**

1. **The Maximum Ceiling for Insurable Earnings (cap) of the old insured employees (i.e. the employees insured for the first time before 31.12.1992):**

- **Harmonisation** with the respective cap applicable for the newly insured employees (i.e. the employees insured for the first time after 1.1.2013).
- **Determination** of such cap as of 12.11.2012 to the amount of 5.546,8 € for all.

2. **Christmas, Easter and Vacation Allowances** for pensioners of all institutions and departments of main and supplementary insurance within the authority of the Ministry of Labour, Social Insurance and Welfare, as well as OGA, NAT and the Bank of Greece: They will be **abolished** as of από 1.1.2013.
3. **Pension of representatives of trade unions and their beneficiary members** who have been retired under such capacity according to the statutory provisions of the former Supplementary Social Insurance Fund for Representatives and Employees of Employee Trade Unions (TEAEYEEO) of m.l. 971/1937: The payment of the pension will be ceased as of 1.1.2013 by ETEA (former ETEAM)
4. **Uninsured elders of law**. 1296/1982, as currently in effect: The monthly pension will be paid under certain requirements as of 1.1.2013.
5. **Common Control and Pension Payment Institution for the beneficiaries of the Social Insurance Institutions and for Public State:** "H.DI.K.A. S.A." will be the Electronic Governance of Social Insurance of l. 3607/2007 as of 1.7.2013.
6. **The employees' Contribution of 0,75% on the wages and salaries for the benefit of the Employees Housing Organisation:** will be abolished as of 1.11.2012.
7. **The employers' Contribution of 0,35% for the benefit of the Employees Housing Organisation:** will be abolished as of 1.11.2012.

## Sub-paragraph IA.7. - Provisions for in relation to Stevedores

### (a) What changes?

The following measures have been introduced within the framework of the liberalisation of the profession of stevedores (loaders for land operations at central markets) and the enactment of a new scheme for the exercise of such profession:

1. **Conditions for exercising the profession:** The sole prerequisite for the lawful exercise of the profession of stevedores within Greece (with the exception of the ports of Piraeus – Thessaloniki and specific exempted activities) is a **special certificate**.
2. **Fees:** State intervention and the geographical restrictions are **repealed**). Stevedores' fees are freely negotiable.
3. **Stevedores' National Registry:**
  - **Created**, in order to serve as a public junction of certification; it is mandatorily kept as of 15.04.2013 in the Department of Stevedores of the Ministry of Employment.
  - **Conditions for Registration:** Conditions for the non registration of stevedores in the Registry and issuance of the relevant certification for the lawful exercise of the profession are set.
  - **Automatic Registration** in the National Registry of the already certified stevedores.
4. **Competent Service:** The Department of Stevedores of the Ministry of Employment, Social Security and Welfare is competent to issue the certificate. Various regulations for the health and security of the sector are introduced.

### (b) Laws Amended

1. M.L. 2212/1940
2. M.L. 381/1936
3. M.L. 583/1937 (article 9 sub-paragraph.1.)
4. M.L.. 1495/1938 (article 4)
5. C.L. 5167/1931

6. L. 1749/1944
7. L.. 1473/1950
8. L. 1876/1990 (paragraphs 4 και 5 of article 25 ).
9. L. 3239/1955 (articles 37, 38 και 39)
10. L. 6178/1934 (article 2)
11. L. 74/1975 (article 5).
12. L.4504/1966 (articles 37, 38 και 39)
13. L.D. 1254/1949.
14. L.D. 1782/1942 (article 2).
15. L.D. 3083/1954
16. L.D. 3789/1957 (article 5)
17. L.D. 4547/1955 (paragraph 1 of article 2).
18. P.D. 104/ 1985
19. P.D. 369/1989 (articles 11 και 12)
20. L. 1082/1980 ( paragraph 4 of article 1, articles 3, 4, 5, 6, paragraphs 1, 3, 5, 6 και 7 of article 7)
21. P.D. 4/9 of March 1932.

### (c) Referral to Implementation Law

1. **Regulation of matters of health and security** of stevedores by virtue of a decision of the Minister of Employment, Social Security and Welfare.
2. **Regulation of matters for the entrance of Dockers** in the ports and control on them by virtue of a Decision of the Minister of Shipment and Aegean.

The deadline for the issuance of the Ministerial Decision has been set until 31.03.2013. However, according to the Legislative Decree issued after the Law, the deadline has been shortened until **31.12.2013** (this refers to all Ministerial Decisions which are associated with the liberalisation of the professions introduced by virtue of the Law 3919/2011 on "Liberalisation

of Professions/Fees etc. Matters relating to Notaries, Lawyers, Engineers etc.”).

3. **Measures for the collection of duties etc.** which are levied on the cargos and have been fixed in favour of funds, marine agents by virtue of a Joint Ministerial Decision of the Ministers of Shipment and Aegean and Employment, Social Security and Welfare.

#### Sub-paragraphs IA.8 and IA.9. - Provisions regarding the Temporary Employment Agencies and the Private Employment Agencies

##### (a) What changes?

1. **Business** Activity of the Temporary Employment Agencies (TEAs): It is expanded, including the activities of intermediation for recruitment, evaluation or/and training of human resources, as well as counseling and professional orientation.
2. **Minimum establishment requirements** (capital, employees, spaces and buildings): **abolished**.
3. **Deemed employment agreement of indefinite duration:** In case the temporary employee continues to work for the indirect employer after the expiration of the initial placement and any lawful renewals thereof, even by means of a new placement, but without observing 23-days waiting period, such relationship shall be deemed to be an indefinite duration employment contract between the temporary employee and the indirect employer.
4. **Business Activity of the Private Employment Agencies (PEAs) and their branches:** It is **expanded**, including the intermediation for recruitment as well as counseling and professional orientation.
5. **Exercise of business activity of PEAs**
  - **Reduction** of the period of required experience of the manager.
  - **Facilitation** of the intermediation activity, which may also be exercised by other

qualified employees.

- **Abolition** of minimum space is and facilitation of the exercise of activities by a branch.

##### (b) Laws amended

1. L. 4052/2012 (par. 1 of article 122, par. 1 of article 123).
2. MD 30342/2002 of the Minister of Labour and Social Insurance (articles 2 and 3) are abolished.

#### Sub-paragraph IA.10. – Provisions for the empowerment of the labour market and for the forwarding of employment – Time Limits for the Operation for Shops and the employment of its personnel

##### (a) What changes?

**Working hours of employees in shops is dissociated from the operating hours of same shops:**

1. **Prohibition of personnel employment** during non operating hours of shops: **abolished** as of 12/11/2012.
- **Noon rest period:** As of 12/11/2012 the parties **may determine**, through a specific term in the employment agreement, a noon rest period of at least 3 hours for the employees in shops with continuous operating hours as well.

#### Sub-paragraph IA.11. – New System of Determination of Statutory Minimum Salaries and Wages for Employees of the Private Sector, Statutory Minimum Salary and Wage for the Employees of the Private Sector of the country

##### (a) What changes?

1. **Statutory minimum salaries and wages: New system** for the determination of the statutory minimum limits, effective as of 1.4.2013.
2. **Minimum non-salary related employment terms: Regulated** by the National General Collective Labour Agreements, which will apply for

all employees of the country. Basic salaries, basic wages, any kind of increases of same and in general any other salary related term will only be applicable for the employees who work for employers belonging to the employer organisations having signed said NGCLAs and cannot be less than the statutorily provided minimum salary and daily wage.

3. **Current statutory minimum salary and wage limits: Regulated** until the expiration of the economic adjustment period provided for under the Memoranda attached to L. 4046/2012 and the amendments thereof, as follows:

Employee (type) / age	Minimum salary (€)
For white collar employees over 25 years old	586,08 euros (monthly salary)
For blue collar employees over 25 years old	26,18 euros (daily wage)
For white collar employees under 25 years old	510,95 euros (monthly salary)
For blue collar employees under 25 old	22,83 euros (daily wage)

4. **Other increases to minimum salary: Excluded**- No further increase are allowed in the statutory minimum salary and daily wage, other than the regular monthly increase due to the years of service.

5. **Marriage allowance:**

- **Mandatory payment** by employers, who are bound by existing sectoral, professional or corporate level CLAs providing for a marriage allowance,.
- **Optional payment** as of 12/11/2012, by employers who are not bound by any existing sectoral, professional or corporate level CLA or who are not members of the employing organisations who signed the National General CLA.

(b) **Laws amended**

L. 1876/1990 (first sub-paragraph of par. 1 of article 8 and par. 2 of article 3)

(c) **Reference to Implementing Legislation**

**Procedure of configuration of the legally determined statutory minimum salary and wages for private sector employees:** it shall be applicable within the first trimester of 2013, with a ministerial act, taking under consideration the situation and the prospects of the Greek economy, the labour market (especially regarding the unemployment and employment rates and the consultation between the government and the representatives of the social partners, specialised scientific, research and other agencies. During the A' trimester of 2014 said system will be evaluated as regards to the simplicity and effectiveness of the implementation, the reduction of unemployment, the increase of employment and the improvement of competitiveness.

**Sub-paragraph IA.12 – Severance due to termination for the private sector employees with indefinite duration employment agreements**

(a) **What changes?**

1. **Notice period prior to termination: Reduced**, in case of termination of an indefinite duration employment agreement with a maximum 4 months.
2. **Severance amount:** The amount of severance due in case of termination of an indefinite duration employment agreement without prior notice is determined as follows:



Completed Years of prior service with the same employer	Severance amount (monthly salaries)
1 - 4	2
4 – 6	3
6 .- 8	4
8 -10	5
10	6
11	7
12	8
13	9
14	10
15	11
16 and above	12

3. **Severance calculation method:**

- Based on the **regular earnings of the last month under full employment.**

4. **For employees with more than 17 years of completed service with the same employer:**

- Private sector employees who have completed more than 17 years of service with the same employer **as at 12.11.2012** are entitled to an additional severance of one monthly salary per year of service (over the 17 years) and up to 12 monthly salaries.
- For said additional severance the following factors shall be taken into account:
  - The **years of service** completed by the employee until 12.11.2012, irrespective of the actual termination

date and

- The **regular earnings of the last month** under full employment up to 2.000 euros.

- **Exemption** from the above mentioned severance calculation system for private sector employees who fulfill the requirements for full retirement.

(b) **Laws amended**

1. L. 2112/1920 (article 1 as amended and currently in effect)
2. L. 3863/2010, (sub-paragraph B' of par. 2 of article 74 as amended by sub-paragraph b of par. 5 of article 17 of l. 3899/2010.)

**Sub-paragraph IA.13. – Simplification of Procedures and Reduction of Administrative Charges as regard the Labour Inspectorate**

(a) **What changes?**

1. **Notification of the hiring of a new employee and the change of working hours:**
  - **Obligation** to file additional personnel lists to the Labour Inspectorate regarding new hires on the same day of hiring and before the employees starts offering his services;
  - **New personnel** lists are required in case of any changes of the working hours on the same day or within 2 working days.
2. **Overtimes: mandatory** prior notification to the Labour Inspectorate required for all employers.
3. **Certification of itinerary book: abolished** as of 12.11.2012.
4. **Certification of the book of daily files of employed personnel of constructing activities and technicians: abolished** as of 12.11.2012.

**Sub-paragraph IA.14 – Working time limits and abolition of the contribution for TEAPYK**

**(a) What changes?**

1. **Working days per week:** The store employees' working days per week subject to a total 40hour working schedule may be determined by Collective Labour Agreements.
2. **Minimum rest:** For each 24-hour period, starting from 00.01 and ending on 24.00, the minimum rest period may not be less than 11 consecutive hours.
3. **Allocation of annual leave:** The allocation of

annual leave into two periods within the same calendar year is permitted, due to significantly serious or urgent need of the company. It is further provided the allocation procedure of the annual leave even into more than two periods under certain circumstances.

**(b) Laws amended**

1. L. 1892/1990 (par. 4 of article 42).
2. P.D. 88/1999 (article 3)
3. L. 549/1977 (article 8)

## Paragraph IB' – Regulation of Matters of the Ministry of Health

### Sub-paragraph IB1 – Regulation of EOPPY matters

#### (a) what changes?

1. **Option of funds, sectors and health divisions to be exempted from inclusion in EOPYY**, as was provided by N.4075/2012 art.44§14: **abolished**. Any administrative act issued pursuant to the above provision, is likewise cancelled.
2. **Social security contribution of OGA members** regarding their health care, from 1.1.13: **2,50%** of the insurance category in which they belong.
3. **Negotiation Committee for EOPPY Providers: Created** within EOPPY according to the Legislative Decree (GG 229/19.11.2012), in order to to negotiate with the contracted providers EOPPY, their fees, contractual conditions, prices of medical devices, and to advise the Board of EOPPY whether to maintain or modify all of the above.

#### (b) Which laws are being amended?

1. L.4075/2012 art.44§14
2. L. 2458/1997 art.4
3. L. 3918/2011 art.29

#### (c) Referral to implementation legislation

1. The composition, formation, method and operation processes of the **Negotiation Committee** of EOPPY shall be determined by a joint ministerial decision of the Ministers of Finance and Health.
2. The **Uniform Regulation for Health Benefits** shall be approved by a joint ministerial decision of the Ministers of Health and Finance, following a proposal of the Board of EOPPY, and shall specify the type, scope, amount, method and process of acquiring health benefits etc.

### Sub-paragraph IB.2 – Regulation Of Pharmaceutical Expenditure And Hospital Debts Matters

#### (a) What changes?

1. **Clawback – Consequences of exceeding the pharmaceutical expenditure** above the approved State Budget limit:
  - **Obligation to return the excess amount** of pharmaceutical expenditure (**clawback**) based on a calculation which shall henceforth be done on a 6month basis, instead of the bimonthly basis previously stipulated by L.4052/2012.
  - **Method of calculation of the participation ratio** of each pharmaceutical company in the excess of the pharmaceutical expenditure: detailed provision thereof as well as with regard to sales figures that are being taken into account
  - **Previous calculations regarding the clawback amount** which corresponds to each company: are all approved.
  - **Option of pharmaceutical companies to set-off the clawback amount** against verified same year debts of EOPPY.
  - **In case of existence of hospital debts only:** The same set-off option is available. Pharmaceutical companies may, following EOPPY's relevant assignment, offset the outstanding clawback amount against hospitals' debts, which have been duly certified in the same year.
2. **Deadline for payment of EOPPY's and other social security funds Providers: within 60 days** (instead of 40 as was the case under the previous regime).

3. **Rebate relating to medicinal products for "serious diseases" (art. 12 § 2 of Law 3816/2010):**

- **Return** of an amount from pharmacies to the health disciplines of Social Security Funds.
- **Amount of Rebate: 5%** of the required expenditure for these products

4. **Prescription Writing:**

- **An obligatory limit is being provided** as regards the percentage of prescriptions of medicines based on their trade name as against their **active substance**.
- The pharmaceutical products that are being prescribed by their trade name **shall not exceed 15%** of the total value of the prescriptions of each physician (no similar provision existed before).

5. **Participation of insured patients: A participation fee is provided for**, which equals to 1 Euro for every prescription executed by a pharmacy and 25 Euros for their admission in any NHS hospital.

6. **Temporary entry-fee of pharmaceutical products in the positive list.**

- **A new entry fee is being provided** by the Legislative Decree (GG 229/19.11.2012).
- **Method of calculation of the entry-fee:** 15% set at 15% of retail sales made in 2012.
- **Payment of the entry fee:** by the Marketing Authorisation Holders (MAH) of the said pharmaceutical products by December 15<sup>th</sup>, 2012. This provision does not apply in the case where MAHs have already paid/offset the clawback of 2012 by 10/12/2012. For 2013, the entry fee may be offset against the clawback

amount paid or set off from the year 2012.

- **Consequences of non-payment of the entry-fee:** the relevant pharmaceutical products shall be withdrawn from the positive list. The same result arises automatically as well for pharmaceutical products of MAHs that do not pay/offset the corresponding clawback amount, after the lapse of one month

(b) **Laws amended**

1. L. 4052/2012 art.11, 12, 21
2. L. 3965/2011 art.24
3. L. 3918/2011 art. 34, 35
4. L. 3816/2010 art. 12.

(c) **Referral to implementation legislation**

1. **Compulsory and universal obligation of physicians for prescribing medicines based on the active substance (art. 21 § 5 Law 4052/2012):** issuance of subsequent Ministerial Decision which shall specify any exceptions on that obligation and shall provide for the way in which physicians will be therefore informed
2. **Amount and method of calculation of the temporary entry-fee of pharmaceutical products in the positive list:** may be amended by virtue of a subsequent decision of the Minister of Health.

**Sub-paragraph IB.3 – Abolition Of Prohibitions of L.3919/2011**

(a) **What changes?**

1. **Beauty Salons: abolition of prohibitions** on the establishment of a company vehicle
2. **Dental laboratories: abolition of prohibitions** regarding the establishment of entities
3. **Physiotherapists: abolition of prohibitions** on the exercise of the profession
4. **Nephrologists in Chronic Dialysis Units:**

- abolition of prohibitions** on the exercise of the profession
5. **Providers of Primary Health Care Services and their scientific directors: abolition of prohibitions** regarding their legal status. Replacement of provisions on the conditions of issuance of operation certificate to the Providers of Primary Health Care Services
  6. **Scientific director of dental laboratories:** rephrasing of provisions.
  7. **Supply of prescription glasses, reading glasses etc. and scientific director of optician shops:** rephrasing of provisions.
  8. **Physiotherapy laboratory:** rephrasing of provisions regarding the scientific director.
  9. **Chronic Dialysis Units:** replacement of provisions regarding the commencement of operation (documents, requirements, eligibility).
- (b) Laws amended**
1. L. 3919/2011
  2. L. 1666/1986
  3. L. 3204/2003
  4. Presidential Decree 29/1987
  5. Presidential Decree 225/2000
  6. L. 2071/1992.

## Paragraph IC' - Provisions on Issues related to Ministry of Justice, Transparency and Human Rights

### Sub-paragraph IC.1. Amendments on the Penal Code

#### (a) What changes?

1. **Penalties of deprivation of liberty:** Aiming at the decrease of the consistently increasing number of prisoners and the promotion of a more modern punitive system, the new provisions stand as follows :

- The penalty of deprivation of liberty **from two up to five years** may from now on be transformed to a pecuniary fine.
- **Increase** of the amounts which constitute the basis for the calculation of the transform of each day of imprisonment or detention to money.
- **Extension** of time limits under which one may provide his services after the imposition of social work as a penalty to him.

2. **Pecuniary fines:** further **increase of the add-on percentages on pecuniary fines**, either by first instance imposed, either after the transformation of a penalty of deprivation of liberty, in order to cover fiscal needs of the State.

3. **Statutory Court fees:** **increase** for reasons of systemic unity of the relevant provisions, as well as in order to prevent frivolous lawsuits. The fees are calculated on the basis of the object of the dispute.

4. **Mandatory presence of lawyers before the Public Notaries:**

- **Re the establishment of Societes Anonymes (SA) and Limited Companies (Ltd): abolition** irrespective of the capital of the company, in order to

stimulate competitiveness and investments.

- Re the **creation, transfer, revision, amendment or extinction of rights in rem on real estate** stemming from an agreement with monetary value: a lawyer's presence is **obligatory** before a public notary **only for the buyer** for valued exceeding of €80.000. The above conditions must concur cumulatively. Obligation **repealed for all and replaced by an option** as of 01.01.2014.

5. **Lawyers providing services on fixed retainer (employees): Free determination** between the lawyer and his employer (for reasons of equality with lawyers employed in the public sector).

#### (b) Laws Amended

1. Greek Penal Code (Articles 82 par. 1, 3, 5, 7).
2. Art. 20 of Law 4058/2012 (add-on %).
3. Art. 2 par. 1 of Law GPOH/1912 (court fees).
4. Art. 9 of Law 3853/2011 concerning the presence of the lawyers before the public notaries (Greek Lawyers' Code).
5. L.D 3026/1954 (Art. 42 and 92A Regarding the presence of the lawyers before the public notaries and lawyers with monthly retainer)).

### Sub-paragraph IC.2. Amendments on the Administrative Procedure Code

#### (a) What Changes ?

Harmonisation of the Administrative Procedure Code and Law 4079/2012 concerning time limits to bring administrative appeals in tax and customs cases before the Courts.

#### (b) Laws Amended

L. 4079/2012.

## Paragraph ID' – Regulation of Issues Pertaining to the Competence of the Ministries of Tourism, Maritime Affairs, the Aegean and the Whole of the Country

### Sub-Paragraph ID.1– Tourist Guides

#### (a) What changes?

In light of liberalisation of the profession of tourist guides, the following are provided for:

- **Prior authorisation to practice as a tourist guide** by the General Secretary of EOT (now Minister for Tourism): **abolished**.
- **Alignment of the Greek legal framework with Directive 2005/36/EC** on the recognition of professional qualifications, recognizing the right to practice as a tourist guide in Greece to citizens of EU Member States, meeting the relevant qualifications obtained in another EU State and being recognized by the Council for the Recognition of Qualifications.
- **Foreign citizens of Greek origin: recognition** of the right to practice as a tourist guide to foreign citizens of Greek origin who graduate from the Tourist Guide School or complete an intensive programme for tourist guides.
- **Procedure for obtaining access to the tourist guide profession: free access** following ten (10) days as of the notice of exercise of the tourist guide profession accompanied by the required supporting documentation.
- **Register for Tourist Guides: established** to include those qualifying as tourist guides.
- **Criminal sanctions provided for those providing tourist guide services without being entitled: Abolished; Administrative sanctions:** become stricter.
- **Rules on the provision of tourist guide services offered exceptionally (e.g. unpaid tourist guide services): introduced.**
- **Tourist guides training: rules on establishing intensive) programmes (crash courses for tourist guides.**

#### (b) Laws amended

Several provisions of Law 710/1977: several provisions are amended or abolished.

#### (c) Referral to implementation legislation

Legal documents accompanying the notice of exercise of the tourist guide profession: determined by a ministerial decision.

### Sub-paragraph ID.2. – Regulation of Issues Pertaining to the competence of the Ministry of Maritime Affairs and the Aegean

#### (a) What Changes?

1. **Memorandum of Understanding between the Greek State and the Greek Maritime Community:** signing of such is contemplated, for the support of the national economy through voluntary contributions of the latter.
2. **Bilateral Agreements with international vessel certification and inspection organisations: extension of their term** until 7.11.2013 at the latest (by which time new agreements will have to be signed) with international bodies such as the American Bureau of Shipping, Bureau Veritas etc., signed on the basis of a template agreement.

### Sub-paragraph ID.3 – Newspapers and Magazines Agencies

#### (a) What changes?

In light of the liberalisation of the profession of the newspapers and magazines agent, the following are provided for:

1. **Right to set up and operate a newspapers and magazines agency:** any natural or legal person.
2. **Conditions:** single prerequisite, the submission of a declaration of exercise of that profession to the

competent body of the General Secretariat for Mass Media according to Article 3 (1) of Law 3919/2011.

**(b) Laws Amended**

1436/1984 (Article 7(1) second Paragraph is abolished).

**(c) Referral to implementation legislation**

Legal documents accompanying the notice of exercise of this profession and all other necessary details regarding the implementation of liberalisation of the newspaper and magazine agent profession: determined by ministerial decision.

**Sub-paragraph ID.4 – Sale And Distribution Of Newspapers, Magazines Etc.**

**(a) What Changes?**

In order to remove a number of unnecessary restrictions in the retail market of sale and distribution of newspapers, magazines, etc and enhance competition, the following changes have been adopted.

According to the new legal framework, any individual or legal persons can sell and/or distribute newspapers, magazines and etc. irrespective of:

- the type of shop (i.e. indoor or outdoor shop); and

- whether the shop has its only or principal business activity the sale and distribution of newspapers and magazines.

**(b) Laws Amended**

The following provisions are abolished:

1. Law 28/28 May 1935 as amended by Article 16 of Decree Law 4231/1962;
2. Law 73/1944 (Article 4) as amended by Article 3 of Law 117/1945 and Article 2 of Law 10/1975;
3. Decree Law 2943/1954 as amended by Articles 1,2,3 of law 937/1979, Article 67 of Law 1943/1994 and Article 18 of Law 2747/1999;
4. Law 1093/1938 (Article 54(2) and Article 54(5) second Paragraph);
5. Law 2328/1995 (Article 13(1) and (2));
6. Law 1436/1984 (Article 6(1) and (3));
7. Any other contrary provision.



## Paragraph IE' – Transposition of Directive 2006/1/EC of the European Parliament and Council of January 18 2006 on “the use of vehicles hired without driver for the carriage of goods by road” and other provisions

### (a) What changes?

Aiming to the optimum allocation of resources and the possibility to use vehicles hired, as well as to the increase of the productivity of business undertaking through the disposal of flexible tools, the following measures have been adopted:

1. **Use of vehicles hired without driver for the carriage of goods by road: Transposition** in the Greek Law of the Directive 2006/1/EC on the use of vehicles hired without driver for the carriage of goods by road and other provisions by enacting a new complete legislative framework instead of partially amending previous legislation.
- **Restrictions** in relation to the maximum term of the hiring, the minimum number of owned vehicles that a carrier by road should have available as well as restriction with regards to the maximum gross weight that a non carriage company may hire: **Repealed**.
- **Contract of lease: regulation** of issues pertaining to the contract of lease, its authentication etc., the documents that should be available in the vehicle for the purposes of

control etc.

### (b) Laws amended

1. P.D. 91/1988 (A' 42), as amended by the P.D. 209/1991 *Transposition of the Directive 84/647 EU- Use of Vehicles Hired without Driver (128341)* (A' 79).
2. P.D. 209/1991 “Vehicle hired for the carriage of goods by road etc.” (A' 79).
3. M..D B4/οικ27851/3242/2011 “Terms and conditions of incorporation and operation of business undertaking for the hiring of passenger vehicle of private use without driver” (B' 1290).
4. Any other law general or special regulatory provision, which conflict with the provisions of the law.

### (c) Referral to Implementation Law

According to the Legislative Decree issued after the Law, paragraph 13 (referral to a Decision of the Minister of Development for administrative issues relating to issuance of circulation licenses of vehicles hired supporting documents of transport of vehicles hired as well as any other technical detail on the same matter) has been repealed.

**For any further comment or query on the above or any other issue, please liaise with the competent client partner or you may liaise with the Coordination Partner, who will refer you to the competent partner within KGDI.**

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