

## COVID 19 – The new regulatory framework in the employment sector

March 2020  
Employment Law Alert



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# COVID 19 – The new regulatory framework in the employment sector

## The measures

**The new regulatory framework, consists of a series of urgent and temporary measures in order to tackle the negative effects of COVID-19 and limit its spread. The new urgent measures are the following.**



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## The measures

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### **1 The suspension of the obligation of reporting to the “ERGANI” IT system any changes or amendments to the employees’ working schedules**

For the period starting from 11.03.2020 until 10.04.2020, the submission of a supplementary worktime table (E4 document), or an announcement of overwork and statutory overtime (E8 form) is not compulsory. Nevertheless, businesses shall disclose the above data collectively, within the first ten (10) days of the month following the one during which the employee has provided services.

### **3 Special-purpose leave for working parents**

Working parents are entitled to request a special-purpose leave of a minimum duration of three (3) days, provided that one (1) day is deducted from the employee’s annual leave. Two thirds (2/3) of the cost associated with the special-purpose leave shall be covered by the employer, whereas one third (1/3) shall be covered by the state .

### **5 Extraordinary business operation on Sundays and other public holidays**

As of 14.03.2020, the extraordinary operation on Sundays and other public holidays is permitted for businesses which are engaged in activities associated with the production, transportation and/or supply of foodstuff, fuel, medicine and other paramedical products . The period of application of the said measure shall not exceed six (6) months, as of the date of its implementation.

### **2 Unilateral imposition of a remote working system for employees**

Businesses may unilaterally impose a remote working system for their employees, as of 11.03.2020 onwards.

### **4 Extension of overtime working limits for businesses that have exceeded the maximum permitted time limits**

Businesses that have exceeded the statutory limits for overtime work of their employees are entitled to occupy their personnel on overtime status, without the prior consent of the Minister of Labor. Such option has a maximum time limit of six (6) months. In any case, the daily statutory limits, as set by the relevant legislation, shall not be exceeded.

### **6 Business operation with security personnel**

All businesses may operate with security personnel, observing the following conditions: (a) the minimum working time limit per employee shall be two (2) weeks, (b) the organizational structure shall take place on a weekly basis, whereas at least 50% of employees must participate and (c) the business shall maintain the same number of employees.

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### **7 Transfer of employees between group companies**

An entity belonging to a group of companies may transfer its employees within the group. Every group entity that will implement such measure shall maintain the same number of employees.

### **8 Special Purpose Compensation**

The payment of a special purpose compensation is provided for, through the submission of a solemn declaration to the ERGANI IT System both by the employee and the employer. In case the employer fails to submit such declaration, the business may not benefit from the suspension of payment of any debt due towards the State, or of any instalments in the context of a debt settlement mechanism. Further, the employee shall submit the personal details thereof (IBAN etc.) to a special platform of the General Directorate of Employment Relationships, Health and Safety in Labor in order for the payment of the compensation to be effected.

### **9 Suspension of employment relationships**

Businesses adversely affected (under the condition that the respective CPA is indicated in the decision issued by the Ministry of Finance) may suspend the employment contracts of all or part of their employees. Such suspension shall not exceed one (1) month as of the issuance of said decision.

Businesses that temporarily ceased their operations, or qualify as adversely affected businesses (the CPA of which is included to the above mentioned ministerial decision and have suspended the employment agreements of their personnel), shall submit a solemn declaration to the ERGANI IT System. The said declaration will contain the names of the employees whose employment agreements have been suspended. The employer must notify the employee within the same day, so that the latter may claim, through a relevant solemn declaration, the exceptional financial aid. The deadline for the submission of solemn declarations by employees expires on the 31st of March.

The solemn declaration submitted by businesses shall also include the names of the employees whose employment agreements have been terminated either by means of dismissal or by involuntary termination, between 01.03.2020 and 20.03.2020.

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## Q&As

**Eleven useful Q&A regarding the new regulatory framework in the employment sector in view of the coronavirus pandemic.**



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## Q&As

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**Q** What happens in the event of mandatory – temporary – cessation of business operations, or of a business sector?

**A** In such case the company is not legally liable to pay salaries to its employees, whereas any termination of employment contracts by the employer shall be ipso facto null and void. Employees shall receive the aforementioned special-purpose compensation, pursuant to the submission of the relevant declarations by both the employer and the employee. The said compensation amounts to EUR 800 and covers the time period from 15.03.2020 until 30.04.2020.

**Which benefits are available for businesses that suffer disruption of operations due to the pandemic?**

Businesses with one of the CPA codes specified in the respective ministerial decision may suspend the employment contracts of all or part of the total number of their employees, for a time period not exceeding one (1) month. All businesses applying for such must observe the following conditions a. abstain from terminating any employment contract and b. maintain the same number of employees at least throughout the time period during which the employment agreements are suspended.

Businesses not falling under the above category may continue operating with security personnel. In this respect, it is provided that a. the minimum working time limit for each employee shall be equal to two (2) weeks, b. the relevant organizational structure shall take place on a weekly basis, whereas at least 50% of the business employees must participate, and c. the business must maintain the same number of employees.

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**Q** Can a business impose a measure of compulsory leave to its personnel, as a result of a significant disruption of its operations?

**A** Any unilateral imposition of a “compulsory” leave to personnel on the part of the employer constitutes an abuse of its “managerial right”.

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## Q&As

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**Q Can a business terminate employment contracts , as a result of the significant disruption of its operations?**

**A** The following businesses may not proceed to termination of employment agreements (as of 18.03.2020):

- Businesses which have suspended their operations pursuant to a government order ;
- Businesses of affected sectors, the CPAs of which have been specified by virtue of a Ministerial Decision and which have suspended all or part of the employment agreements of their personnel;
- Businesses that implemented the measure of intragroup transfer of employees;
- Businesses that continue their operation with security personnel.

Any other business, may proceed to the termination of an employment contract , pursuant to the relevant legislative provisions. Termination however may be subject to judicial review. The predominant general principle of “good faith” (Article 281 CC), as well as the option of the employer to follow any other “milder” alternative option, will continue to constitute valid legal defenses against termination.

**Who is entitled to a special-purpose leave?**

All private sector employees, who are natural or foster parents may benefit from the special purpose leave. The aforementioned special purpose leave is provided to working parents under the condition that their children are (a) enrolled with nurseries or kindergartens or school units of mandatory education and school units of special education, regardless of their age, or (b) constitute people with disabilities and are beneficiaries of open care services for people with disabilities, regardless of age. The relevant right to a special-purpose leave is provided to one of two parents. Moreover, parents may receive the relevant leave on a rotation basis.

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## Q&As

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**Q** What are the obligations of a business during the imposition of a remote working system?

**A** By virtue of the provisions of article 4 para. 2 of the Legislative Content Act dated 11.03.2020, businesses may unilaterally apply a remote working system.

Teleworking constitutes the main remote working system. In this respect, the provisions of article 5 of Law 3846/2010 (which was annexed to the National Collective Labor Agreement of 2006-2007) set out the basic terms and conditions of its implementation.

More specifically, pursuant to the applicable legal framework, during teleworking, the employer shall provide appropriate technical support, which is necessary for the provision of the employee's services, as well as to cover any repair costs regarding devices used for the provisions of services or any potential substitution thereof in case of damage. The relevant obligation varies depending on the technical and physical means provided to employees. Another factor affecting the above obligation is the ownership of the means provided, i.e. whether those belong to the employee or the employer.

During teleworking, the provisions regulating the maximum limits of daily occupation time, as well as those providing the obligation of announcing any overtime work (including overwork) still apply.

**What applies to pregnant employees and other vulnerable groups?**

According to the instructions provided by the National Organization of Public Health, it is recommended that pregnant employees should be removed from the workplace due to the potential risks posed to themselves and the fetus.

Furthermore, it is clarified that according to the above instructions, it is highly recommended that employees who belong to vulnerable groups, shall be treated as employees who demonstrate suspicious symptoms, (either themselves or their relatives); hence those employees should remain at home.



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## Q&As

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**Q** When is the employee entitled to refrain from providing his/her services due to the virus?

**A** Employees may not provide their services in the following cases:

- the employee is sick, or has been mandatorily quarantined;
- the employer cannot provide a safe working environment, or the particular job involves a severe risk to the employee's health – exclusively by means of exercising the right to withhold labor;
- the employee has children, and has requested a special-purpose leave (case e' para. 3 article 4 of the Legislative Content Act dated 11.03.2020).

**Can an employee deny his/her presence in arranged meetings or deny travelling?**

An employee may reject a business trip to countries, where high numbers of infected persons have been observed. The same applies for employees who belong to a vulnerable group (e.g. people with respiratory problems, heart conditions, diabetics, pregnant).

**Q** What liability would a business face in case of the virus spreading within its premises?

**A** Businesses are liable for not complying with the health and safety obligations within the workplace, (on the basis of the provisions of Law 3850/2010), in case:

- they fail to implement all appropriate measures for the restriction of the spread of the virus within their premises, and as a result
- all or part of their employees get infected.

In case of non-compliance, administrative and criminal sanctions may be imposed.

**Is the employer obliged to notify the competent authorities in case of a verified, or suspicious case of infection within its business?**

By virtue of the provisions of Law 3850/2010, both parties (employer and employees) shall comply with the instructions of the competent health authorities and report thereto any verified or suspicious cases of infection.

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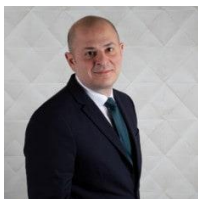


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