

# **BERNITSAS Global Report**



**Covid-19**

**An Analysis of Legislative Changes  
Introduced to Deal With Legal Issues  
Arising from the Coronavirus Pandemic**

The impact of the spread of coronavirus and resulting public health emergency has prompted the Greek Government to introduce legislation to ensure the wellbeing of the population, reinforce the healthcare system and mitigate the disruption caused by the restrictions of movement in place on individuals and businesses.

The Briefings below provide an overview of legislative changes across a number of legal areas and industry sectors to assist our clients to prepare for their effect on themselves and their businesses.

If you would like to discuss any of the issues raised in these Briefings, please get in touch with your usual contact at Bernitsas Law or email us at [\*bernitsas@bernitsaslaw.com\*](mailto:bernitsas@bernitsaslaw.com).

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# Banking Briefing: Special Edition

## A. Suspension of Instalments of Principal for Loans Granted to Legal Entities

## B. Suspension of Instalments for Loans Granted to Individuals

## C. Transactions Which Cannot Be Carried Out Through Bank Branches

## D. Measures for Loans Serviced by Bank Loan and Credit Servicing Companies

## E. Joint Ministerial Decision 18176/2020 on the Temporary Suspension of the Judicial System

### A. Suspension of Instalments of Principal for Loans Granted to Legal Entities

1. On 17 March 2020 the Hellenic Bank Association announced that loan instalments for performing loans owed by businesses directly affected by Covid-19 are suspended at least until 30 September 2020.
2. During this period, debtors have to pay only interest on their loans and no payments of principal and can contact their bank to submit the relevant request for suspension.

### B. Suspension of Instalments for Loans Granted to Individuals

1. On 19 March 2020 the Hellenic Bank Association announced the three-month suspension of loan instalments for performing loans owed by individuals who have been directly affected by Covid-19 due to the suspension of operation of their business and are eligible for the €800 special purpose compensation (e.g. private employees and self-employed).
2. Banks will implement the suspension following communication with the debtor.

### C. Transactions Which Cannot Be Carried Out Through Bank Branches

1. The Hellenic Bank Association introduced certain measures, with effect from 24 March 2020, to limit in-person transactions at banks during the Covid-19 pandemic.
2. From 24 March 2020, the transactions listed below cannot be performed through bank branches:
  - a. withdrawals of cash up to €400, which must be made at ATM machines;
  - b. deposits of cash up to €1,000, which must be made at

ATM machines;

- c. payments of utility bills, which must be made by internet or mobile banking, ATM machines or Automatic Payment Systems (APS); and
  - d. updates regarding bank account movements and balances, which may be obtained by clients through internet or mobile banking or ATM machines.
3. On 26 March 2020 the Hellenic Bank Association announced that consumers can make contactless transactions of up to €50 with their debit or credit cards without the use of their PIN from 30 March 2020 until 31 May 2020.

### D. Measures for Loans Serviced by Bank Loan and Credit Servicing Companies

1. On 19 March 2020 the Association of Bank Loan and Credit Servicing Companies announced the decision of its member-companies to facilitate debtors directly affected by the measures imposed by the Greek Government due to the pandemic.
2. In this context, the measures to be taken include the following:
  - a. communication with debtors in order to record the affected households and businesses;
  - b. the proposal of customised solutions based on the financial profile of the debtor, whether individual or business, by offering the option of reduction or suspension of instalments payable for a three-month period;
  - c. the immediate suspension of instalments payable for a three month- period for debtors who are eligible for the €800 special purpose compensation;
  - d. in connection with any amount in arrears, the suspension of any communications with debtors who claim a proven severe and factual inability to perform their payment obligations; and
  - e. the instruction of external partners, such as debt notification companies and legal offices, to fully synchronize the content and frequency of their direct communications with debtors regarding the above actions.
3. Each Bank Loan and Credit Servicing Company must specify the implementation of the above measures, depending on its capacity and the needs of each debtor.

### E. Joint Ministerial Decision 18176/2020 on the Temporary Suspension of the Judicial System

1. Under the Joint Ministerial Decision 18176/2020 dated 15 March 2020, all hearings, actions of enforcement, auctions and deadlines are suspended from 16 March 2020 until 27 March 2020, with certain limited exceptions.

## Contacts



**Athanasia Tsene**  
Partner  
E [atsene@bernitsaslaw.com](mailto:atsene@bernitsaslaw.com)



**Maria Krika**  
Junior Associate  
E [mkrika@bernitsaslaw.com](mailto:mkrika@bernitsaslaw.com)



**Zoe Koutsiafti**  
Junior Associate  
E [zkoutsiafti@bernitsaslaw.com](mailto:zkoutsiafti@bernitsaslaw.com)

## Corporate Briefing: Special Edition

- A. Conduct of General Meetings by Teleconference**
- B. Legal Validity of Electronic Signatures and Seals**
- C. Issuance of Documents and Filing of Applications Through the Single Digital Gateway of the Public Administration**

### A. Conduct of General Meetings by Teleconference

1. In accordance with Article 33, par. 2 of the Act of Legislative Content dated 20 March 2020, General Meetings of shareholders or partners of any legal entity may be conducted by way of a teleconference in respect to certain or all of its members.
2. Invitations addressed to the shareholders or partners must include all the necessary information and technical instructions for their participation in the Meeting.
3. This provision is valid until 30 June 2020.

### B. Legal Validity of Electronic Signatures and Seals

1. According to Article 31 of the Act of Legislative Content dated 20 March 2020, electronic documents issued by a

legal person or entity can be signed either:

- a. by use of the approved electronic signature of their legal representative; or
  - b. by affixing the approved electronic seal of Article 33, par. 2 of EU Regulation 910/2014 where this is required.
2. The approved electronic signature of legal representatives and approved electronic seals are considered valid and equal to a handwritten signature and original seal respectively.
  3. In cases where the law or the parties stipulate that a handwritten signature is required on every page of a document, it is sufficient for the electronic signature or seal to be placed at the beginning or end of the electronic document.
  4. Where the law requires verification of the signature of a person, the approved electronic signature or approved electronic seal of this person is sufficient to the extent that the document is transferred electronically.

### C. Issuance of Documents and Filing of Applications Through the Single Digital Gateway of the Public Administration

1. According to Articles 24 – 28 of the Act of Legislative Content dated 20 March 2020, any natural person acting for themselves or in the capacity of legal representative of a legal entity (user), may issue documents such as solemn declarations and authorizations bearing a data certa, through the electronic applications e-dilosi and e-

- exousiodotisi operated by the Single Digital Gateway of the Public Administration (*Ενιαία Ψηφιακή Πύλη - gov.gr*).
2. Any natural person acting for themselves or in the capacity of legal representative of a legal entity may file an application for the issuance of public documents either:
    - a. through [ermis.gov.gr](http://ermis.gov.gr); or
    - b. through [e-kep.gov.gr](http://e-kep.gov.gr).
  3. These public documents can be sent to the user either:
    - a. electronically to their email address; or
    - b. to their postal address by post or a courier service.
  4. The authentication of users by using their Taxisnet codes is required for access to the aforementioned services.
  5. The Ministerial Decision No. 7335 ΕΞ2020/23.03.2020 issued by the Ministry of Digital Governance and Simplification of Procedures specifies the procedure users must follow to issue these documents.

## Contacts



**Lambros Belessis**  
Partner  
E [lbelessis@bernitsaslaw.com](mailto:lbelessis@bernitsaslaw.com)



**Iris Sotiriou**  
Associate  
E [isotiriou@bernitsaslaw.com](mailto:isotiriou@bernitsaslaw.com)

## EU, Competition & Antitrust - State Aid: Special Edition

### A. Introduction

### B. Direct Grants, Selective Tax Advantages and Advance Payments

### C. State Guarantees for Loans Taken by Companies from Banks

### D. Subsidised Public Loans to Companies

### E. Safeguards for Banks that Channel State Aid to the Real Economy

### F. Short-Term Export Credit Insurance

### G. Specific Compatibility Conditions

### H. Member States' Obligation to Prove to the Commission the State Aid Necessity

#### A. Introduction

1. By means of its Communication of 19 March 2020 [see European Commission, Communication C(2020) 1863 final] (the Communication of 19 March 2020), the European Commission has adopted a Temporary Framework to enable EU Member States to use the full flexibility foreseen under

State aid rules to support the economy in view of the Covid-19 outbreak. In particular, the Temporary Framework, to be used under the existing State aid rules, enables Member States including Greece to ensure that sufficient liquidity remains available to businesses of all types and to preserve the continuity of economic activity during and after the Covid-19 outbreak.

2. Prior to the adoption of the State aid Temporary Framework, the European Commission had set out in its Communication on a Coordinated Economic Response to the Covid-19 outbreak of 13 March 2020 [see COM(2020) 112 final of 13 March 2020] (the Communication of 13 March 2020) the various options available to Member States outside the scope of EU State aid control which Member States may adopt without the involvement of the European Commission. These include measures applicable to all undertakings regarding:
  - a. wage subsidies;
  - b. suspension of payments of corporate and value added taxes;
  - c. social welfare contributions; and
  - d. financial support directly to consumers for cancelled services or tickets not reimbursed by the concerned operators.
3. These are measures that fall outside the scope of State aid control and therefore can be put in place by Member States

immediately, without the involvement of the European Commission.

4. In addition, in its Communication of 13 March 2020, the European Commission also noted that Member States can notify aid schemes to it to meet acute liquidity needs and support undertakings facing financial difficulties, also due to or aggravated by the Covid-19 outbreak on the basis of Article 107(3)(c) TFEU<sup>1</sup> and as further specified in the Rescue and Restructuring State aid Guidelines. Furthermore, Member States can also compensate undertakings in sectors that have been particularly hit by the outbreak (eg transport, tourism, culture, hospitality and retail) and/or organisers of cancelled events for damages suffered due to and directly caused by the outbreak on the basis of Article 107(2)(b) TFEU<sup>2</sup>. Member States can notify such damage compensation measures and the European Commission will assess them directly under Article 107(2)(b) TFEU.
5. As part of its aforesaid Communication of 13 March 2020, the European Commission recognized that the spread of Covid-19 in Italy would further allow the use of Article 107(3)(b) TFEU<sup>3</sup>, to approve additional national support measures to remedy a serious disturbance to the economy of a Member State (as was already present in Italy), stating that it was already preparing a special legal framework under Article 107(3)(b) TFEU to adopt in case of need.
6. Following this, the European Commission issued the Communication of 19 March 2020 in which it has set out additional temporary State aid measures that it considers compatible under Article 107(3)(b) TFEU, which can be approved very rapidly upon notification by the Member State concerned. To remedy the serious disturbance faced by EU Member States, the State aid Temporary Framework provides for the five types of aid set out in B – F below.

## **B. Direct Grants, Selective Tax Advantages and Advance Payments**

1. Member States will be able to set up schemes to grant up to €800,000 to companies to address their urgent liquidity needs.

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<sup>1</sup> Concerning aid to facilitate the development of certain economic activities or of certain economic areas, where such aid does not adversely affect trading conditions to an extent contrary to the common interest.

<sup>2</sup> Concerning aid to make good the damage caused by natural disasters or exceptional occurrences.

<sup>3</sup> Concerning aid to promote the execution of an important project of common European interest or to remedy a serious disturbance in the economy of a Member State.

2. This type of aid shall be addressed to undertakings that find themselves facing a sudden shortage or unavailability of liquidity.

## **C. State Guarantees for Loans Taken by Companies from Banks**

1. Member States will be able to provide State guarantees to ensure that banks keep providing loans to customers who are facing a sudden shortage, which shall be provided for a limited period and loan amount.

## **D. Subsidised Public Loans to Companies**

1. Member States will be able to grant loans with favourable interest rates to companies.
2. These loans can help businesses cover immediate working capital and investment needs.

## **E. Safeguards for Banks that Channel State Aid to the Real Economy**

1. Some Member States plan to build on banks' existing lending capacities and use them as a channel for support to businesses, in particular for small and medium-sized companies.
2. The State aid Temporary Framework makes clear that such aid is considered as direct aid to the banks' customers and not to the banks themselves, and gives guidance on how to ensure minimal distortion of competition between banks.

## **F. Short-Term Export Credit Insurance**

1. The State aid Temporary Framework introduces additional flexibility on how to clarify that certain countries are not-marketable risks, thereby enabling short-term export credit insurance to be provided by the State where needed.

## **G. Specific Compatibility Conditions**

1. The State aid Temporary Framework sets out specific compatibility conditions per type of aid which must be observed for the aid to be considered as compatible with the internal market by the European Commission. For example, for the first type of aid (ie direct grants, selective advantages and advance payments) the following conditions must be met:
  - a. the aid must not exceed €800,000 per undertaking in the form of direct grants, repayable advances, tax or payments advantages; all figures used must be gross, that is before any deduction of tax or other charge;
  - b. the aid must be granted on the basis of a scheme with an estimated budget;
  - c. the aid may be granted to undertakings that were



not in difficulty (within the meaning of the General Block Exemption Regulation) on 31 December 2019, are not in difficulty and/or were not in difficulty on 31 December 2019, but that faced difficulties or entered into difficulty thereafter as a result of the Covid-19 outbreak;

- d. the aid should be granted no later than 31 December 2020;
  - e. the aid granted to undertakings active in the processing and marketing of agricultural products is conditional on not being partly or entirely passed on to primary producers and is not fixed on the basis of the price or quantity of products purchased from primary producers or put on the market by the undertakings concerned.
2. Similar conditions are also provided for the other types of aid measures analysed under C to F above.

#### H. Member States' Obligation to Prove to the Commission the State Aid Necessity

1. The European Commission has set out the compatibility conditions it will apply in principle to each type of aid granted by Member States under Article 107(3)(b) TFEU. Member

States must therefore show that the State aid measures notified to the Commission under the Communication of 19 March 2020 are necessary, appropriate and proportionate to remedy a serious disturbance in the economy of the Member State concerned and that all the conditions of such Communication are fully respected.

2. Member States must publish relevant information on each individual aid granted under the Communication on the State aid website within 12 months from the moment of granting and must also submit annual reports to the European Commission. In addition, Member States must provide the European Commission with a list of measures put in place on the basis of schemes approved based on the Communication of 19 March 2020 by 31 December 2020.
3. The European Commission shall apply the provisions of the Communication of 19 March 2020 to all relevant notified measures as of 19 March 2020, even if the measures were notified prior to that date. The State aid Temporary Framework will be in place until the end of December 2020. However, the European Commission will assess before that date if it needs to be extended.

## Contacts



**Marina Androulakakis**  
Partner  
E mandroulakakis@bernitssaslaw.com



**Tania Patsalia**  
Senior Associate  
E tpatsalia@bernitssaslaw.com

## EMPLOYMENT BRIEFING: Special Edition - Vol.1

### A. Mandatory Shutdown of Shops and Shopping Centres

### B. Employees in Quarantine

### C. Special Purpose Leave

not obliged to pay employees' salaries. It is expected that the Greek Government will shortly announce supporting measures for affected businesses and employees, possibly even a state allowance to employees, ranging from €300 to €400. So far no further details are known. The announcement for the supporting measures is expected after the Eurogroup's meeting by teleconference.

#### A. Mandatory Shutdown of Shops and Shopping Centres

1. The Greek Government has ordered the mandatory shutdown of shops and shopping centres. Given that the mandatory shutdown is considered a force majeure event, employers are

#### B. Employees in Quarantine

1. In case that an employee is quarantined at home they should inform the National Organization of Public Health of Greece (EODY) and request instructions. Employers are obliged to pay a salary of 15 days, where the employee has been



employed with the employer for more than 10 days and less than one year.

2. In cases where the employee has been employed for over a year, a one monthly salary must be paid. Employers are entitled to deduct any amount paid to employees by the mandatory Social Security Organization (EFKA) from this salary.

### C. Special Purpose Leave

1. All employees who have children:
  - a. up to 15 years of age;
  - b. attending nursery, kindergarten, primary school or middle school (Gymnasium);
  - c. attending a special education system regardless of their age; and
  - d. that are disabled and/or hospitalised in special care institutions,are entitled to request a 'Special Purpose Leave' (hereinafter Leave) for a minimum period of at least three days while the above institutions are shut down. For every three days of Leave, one day shall be deemed a regular paid annual leave.
2. The Leave may be granted to one parent from 10 March 2020 to 10 April 2020, in case that one parent is employed in the private sector and the other is an independent professional. Where both parents are employed with the same or different employer(s) under an agreement of dependent employment, they are obliged to submit their request for Leave to their employer accompanied with a solemn declaration specifying which of the two parents will make use of the Leave. If the parents wish to divide the Leave, they have to specify the time periods that each of them wishes to make use of the Leave.
3. If one parent is employed in the private and the other in the public sector and the private sector employee wishes to

make use of the Leave, then the parent working in the public sector has to sign a solemn declaration stating that they will not use the Leave. The parent employed in the private sector will submit this solemn declaration to their employer.

4. In case that only one parent is either an employee or an independent professional, the other parent is not entitled to make use of the Leave, except when the first parent is:
  - a. hospitalized or has been tested positive for COVID-19 (coronavirus); or
  - b. a disabled person entitled to a relevant allowance by the Organisation of Welfare Benefits and Social Solidarity (OPEKA).
5. In case that parents are divorced or separated, the Leave will be granted to the parent having the child's custody, unless parents have agreed otherwise, in which case they are obliged to declare their decision to the employer by way of a solemn declaration.
6. Employers are obliged to announce via Ergani, the electronic system of the Ministry of Labour and Social Affairs, the names of all employees who have used the Leave, as well as the duration of each Leave, between 10 and 15 April 2020.
7. The only requirement for the use of the Leave is that the employee has:
  - a. at least 6 remaining days of annual paid leave, in case the employee works a 6 day week; or
  - b. 5 remaining days of annual paid leave in case the employee works a 5 day week. Two thirds (2/3) of this annual leave will be paid by the employer and one third (1/3) by the State budget.
8. The above measures may be extended by a Joint Decision of the Ministers of Finance, Labour and Social Affairs, and Health, taking into consideration the course of the epidemic.

# EMPLOYMENT BRIEFING: Special Edition - Vol.2

- A. Transfer (Secondment) of Personnel Between Group Companies**
- B. Prohibition of Dismissals for Businesses Under Obligatory Suspension of Operation**
- C. Suspension of Employment Contracts by Employers**
- D. Business Operation with Security Personnel (Rotation Work)**
- E. Special Purpose Compensation**
- F. Business Leases, Main Residential Leases and Car Leases for Affected Businesses and their Employees**
- G. Deadline Extension for Payments and Suspension of Debts Collection for Affected Businesses and their Employees**

## **A. Transfer (Secondment) of Personnel Between Group Companies**

1. A company whose business operation has been seriously affected or prohibited altogether by a legislative act relating to Covid-19 may transfer its employees to another company within the same group of companies, upon agreement between the companies.
2. The companies must retain the same total number of employees employed prior to the transfer.
3. All details relating to the implementation of this measure, including the notifications to be made to the ERGANI electronic system, will be clarified by a ministerial decision.

## **B. Prohibition of Dismissals for Businesses under Obligatory Suspension of Operation (Article 11, par. 1)**

1. Any dismissals effected by employers whose business operation has been suspended as a result of a public authority order as of 18 March 2020 and for the period the measures relating to Covid-19 are in force, are prohibited and considered null and void.

## **C. Suspension of Employment Contracts by Employers (Article 11, par. 2A)**

1. Employers and businesses in the private sector which are seriously affected by the negative consequences of the Covid-19 virus spread, may suspend the employment contracts of some or all of their employees in order to adjust

their operational needs to the adverse environment.

2. Any dismissals effected by employers and businesses are strictly prohibited and, if effected, will be considered null and void.
3. After the lapse of the suspension of the employment contracts period, employers and businesses implementing these measures are obliged to retain the same number of employment positions for a time period equal to the suspension period. The suspension of employment contracts may last up to one month starting from 20 March 2020 and this measure may be extended by means of a ministerial decision.
4. The provisions above apply only to employees and businesses that are designated by the Ministry of Finance as sectors affected by the spread of the COVID-19 coronavirus on the basis of their registered main business activity.

## **D. Business Operation with Security Personnel (Rotation Work, Article 9)**

1. Within the framework of the urgent and temporary measures for the labour market resulting from the spread of Covid-19, starting from 20 March 2020 employers may assign personnel for the secure operation of their business for a period of up to 6 months, as follows:
  - a. each employee may be employed for at least two weeks per month, either continuously or intermittently;
  - b. this rotation system is to be deployed on a weekly basis and at least 50% of personnel must be included.
2. The employers implementing rotation work are obliged to retain the same number of employees that were employed at the time of the implementation of the measure.

## **E. Special Purpose Compensation (Article 11, par. 2B)**

1. By way of the Greek Legislative Act of 14 March 2020 (Official Government Gazette A/64, Article 13), a financial assistance mechanism for affected employees has been introduced.
2. Special purpose compensation amounting to €800 for the period from 15 March 2020 until 30 April 2020 will be paid within the first ten days of April.
3. Employees entitled to the Special Purpose Compensation are:
  - a. employees whose employment contract has been suspended due to the prohibition of business operation by a public authority order, or due to the implementation of the relevant suspension measure of the employment contract by the employer (see above under D);
  - b. former employees whose employment contract was terminated either by their employer (dismissal) or by

themselves (resignation), within the period from 1 March 2020 to 20 March 2020.

4. Employees exempt from the measures above are employees:
  - a. working remotely;
  - b. on leave permitted by legislation;
  - c. employed as security personnel; and
  - d. whose employment contract has not been suspended due to the prohibition of their employer's business operation under Article 13 of the Greek Legislative Act of 14 March 2020.
5. Employers must submit a declaration to the ERGANI electronic system listing:
  - a. the employees whose employment contract is suspended, either by a public authority order or upon implementation of the suspension measure by the employer;
  - b. the employees whose employment contract was terminated between 1 March 2020 and 20 March 2020 (i.e. dismissals and resignations/voluntary exits).
6. The declaration shall be notified to the employees concerned on the same day in writing or by electronic means, together with the declaration's ERGANI protocol number.
7. Upon notification, the entitled employees should submit their own declaration to the electronic platform of the Ministry of Labour and Social Affairs, including their personal details, IBAN and the employer's declaration's ERGANI protocol number.
8. Any employers and businesses that do not submit the above declarations will not be able to benefit from the measures aimed at providing assistance (suspension of payments, arrangement installments, partial payments of verified public debts/liabilities of any kind).
9. Employers shall ensure that all necessary technical and organizational measures for the protection of employees' personal data are being taken.
10. The special purpose compensation:
  - a. is not subject to tax;
  - b. cannot be offset against any debts; and
  - c. cannot be seized or garnished.
11. The social contributions will be calculated on the full salary (nominal salary) and shall be covered by the national budget.

## **F. Business Leases, Main Residential Leases and Car Leases for Affected Businesses and their Employees (Article 2)**

1. Employers and businesses under prohibition or suspension of operation due to the spread of Covid-19, are exempt from the payment of 40% of the total rent of their business lease or car lease during March and April 2020.
2. Stamp duty and VAT is calculated on the basis of the reduced rent. The partial rent payment does not provide a right for termination of the lease agreement or car leasing agreement to either the tenant or leaseholder, or other civil law claims.
3. Employees whose employment contract has been suspended shall benefit from the provisions described above in relation to their main residence lease and business car lease, on the condition that they were employed at the time of implementation of the urgent measures for suspension of employment contracts or prohibition of operation for the prevention and suppression of Covid-19.

## **G. Deadline Extension for Payments and Suspension of Debt Collection for Affected Businesses and their Employees (Article 5)**

1. Article 2 of the Greek Legislative Act dated 11 March 2020 (Official Government Gazette A/55) has been amended, to include employees of affected businesses.
2. For businesses that have been affected financially due to the spread of Covid-19, as well as for the employees of such businesses, the deadline for payments may be extended. This includes:
  - a. the deadline for the collection of any verified debts to Tax Offices (DOY) or Control Centers; and
  - b. payment deadlines of any arrangement installments or facilities for partial payment of verified debts.
3. For the period of the deadline extension and suspension of collection of debts, the amounts due are not subject to any interest or increase.
4. A ministerial decision will be issued by the Minister for Finance to clarify:
  - a. the affected businesses per sector and area;
  - b. the affected businesses' employees; and
  - c. the time period for the deadline extension and suspension of debts collection.

# EMPLOYMENT BRIEFING: Special Edition - Vol.3

## Ministerial Decisions 12997/231 and 13031/D1.4551 Implementing Acts of Legislative Content Dated 11 March 2020, 14 March 2020 and 20 March 2020 on the Special Purpose Compensation

1. Pursuant to the Acts of Legislative Content dated 11 March, 14 March and 20 March 2020, the Ministerial Decisions no. 12997/231 and 13031/D1.4551 (the Decisions) were published

on 23 March 2020 (Government's Gazette B' 993 and 994).

2. The Decisions pertain to the application for the special purpose compensation to be provided by the Greek State to affected employees and provide guidelines on:

- the procedure for the submission of the employer's declaration for suspension of business operations to the ERGANI electronic employment system; and
- the procedure for declarations to be made by entitled employees to the electronic platform of the Ministry of Labour on the website <https://supportemployees.yeka.gr/> using the templates annexed to the Ministerial Decisions.

## Contact



**Katia Papantonopoulou**  
Counsel  
E [kpapantonopoulou@bernitsaslaw.com](mailto:kpapantonopoulou@bernitsaslaw.com)

# Life Sciences & Healthcare Briefing: Special Edition

## A. Prohibition of Profit Margin Increases for Pharmaceuticals and Personal Hygiene Products

## B. Obligation of Pharmaceutical and Healthcare Companies to Declare their Stocks of Surgical Masks, Antiseptic Solutions and Antiseptic Wipes

## C. Special Purpose Leave for Employees in Pharmaceutical and Paramedical Companies

## D. Reduction of VAT Rate Applicable to Personal Hygiene and Protection Products

## E. Maximum Quantities of Personal Protection and Hygiene Products

## F. Donations and Requisition of Medicines and Hospital Medical Equipment

## G. Urgent Invitation for Purchase of Medical Devices by Way of Derogation of Public Procurement Provisions

## H. Electronic Prescription and Delivery of Medicines

## I. Approval of Technical Specifications for Urgent Supplies for Vital Public Health Needs

## J. Prohibition of Exports of Paracetamol and Products Necessary for the Treatment of COVID-19

## K. Electronic Submission of Requests to the EOF

### A. Prohibition of Profit Margin Increases for Pharmaceuticals and Personal Hygiene Products

- Articles 21 and 22 of the Act of Legislative Content of 20 March 2020 (Official Government's Gazette A/68) prohibit companies from benefiting from the sale of goods or services essential for the health, nutrition, movement and safety of consumers, including:
  - medicinal products;
  - personal protective equipment; and
  - personal hygiene products, such as surgical masks, antiseptic liquids and other disinfectants.
- The gross profit margin for these products cannot be greater than they were before 1 February 2020. Consumers can now submit complaints to the authorities and, depending on the gravity of the violation, fines from €1,000 to €1,000,000 may be imposed.

### B. Obligation of Pharmaceutical and Healthcare Companies to Declare their Stocks in Surgical Masks, Antiseptic Solutions and Antiseptic Wipes

- Article 2 of the Act of Legislative Content of 14 March 2020 (Official Government's Gazette A/64) stipulates that within two days from its entry into force, ie by 16 March 2020, companies active in the chain of production, import, marketing, sale, brokerage, trading and distribution of medicinal products, personal protective equipment and personal hygiene products within the Greek territory must submit a list of the stock they hold in the following items electronically to the Ministry of Development and Investment:
  - surgical masks;
  - antiseptic solutions; and
  - antiseptic wipes.
- Companies should use their passwords for the General Registry (GEMI) platform and non-declaration or false declaration could lead to seizure of products and fines from €1,000 to €100,000 depending on the gravity of the violation.

### C. Special Purpose Leave for Employees in Pharmaceutical and Paramedical Companies

- Article 14 of the Act of Legislative Content of 14 March provides that a Special Purpose Leave may be granted to parents who work in companies dealing with, among others, the production, transportation and supply of food, fuels, medicines and paramedical materials to businesses selling these goods, only upon reasoned decision by the company's management.

### D. Reduction of VAT Rate Applicable to Personal Hygiene and Protection Products

- Article 1 of the Act of Legislative Content of 14 March stipulates that the VAT rate for personal hygiene and protection products, such as surgical masks, medical gloves, ethyl alcohol, soaps, antiseptic solutions and antiseptic wipes is 6%.

### E. Maximum Quantities of Personal Protection and Hygiene Products

- Article 68 of the Act of Legislative Content of 20 March provides that customers are allowed to purchase up to three items of disinfectant, ethyl alcohol and antiseptic products.

### F. Donations and Requisition of Medicines, Hospital Medical Equipment and Personal Protection and Hygiene Products

- Articles 6 and 8 of the Act of Legislative Content stipulate

that any person or legal entity may donate:

- a. medicines;
- b. hospital medical equipment; and
- c. personal protection and hygiene products

to public and private hospitals, Regional Health Districts (DYPEs) and any institution supervised by the Ministry of Health, as well as to all public health structures to assist in the effort to combat the spread of the COVID-19 coronavirus.

3. These donations must be approved as soon as possible by way of a declaration of the Minister of Health, who will decide to which organisation the products will be donated.
4. Medicines, hospital medical equipment, personal protection and hygiene products may be requisitioned for up to 6 months by joint decision of the Ministers of Development and Investment and Health.

#### **G. Urgent Invitation for Purchase of Medical Devices by Way of Derogation from Public Procurement Provisions**

1. Articles 7 and 12 of the Act of Legislative Content of 14 March provide that the National Emergency Assistance Center (EKAB) may issue a call for direct purchases of ambulance spare parts and medical equipment on the basis of the lowest bid and acquire sufficient quantities to meet emergencies, by way of derogation from all existing national public procurement provisions.
2. Similarly, the National Organisation for Public Health (EODY) may directly outsource services to private healthcare providers (diagnostic laboratories) at the lowest price from the services which are immediately available.

#### **H. Electronic Prescription and Delivery of Medicines**

1. Articles 36, 49, 50, 51 and 53 of the Act of Legislative Content of 20 March 2020 provide for the facilitation of the issuance of electronic prescriptions so that physical contact of doctors and patient is avoided.
2. Intangible prescriptions and medical referrals are now handled and executed by the First-Degree Healthcare System (<https://www.e-syntagografisi.gr/p-rv/p>), which is operated and managed by IDIKA SA.
3. Patients can log in to the electronic First-Degree Healthcare

System or use their taxisnet passwords and will be notified by email or SMS.

4. Physicians may re-issue the prescription upon request of their patients by telephone, fax, email or SMS.
5. Patients, together with their first and second degree relatives or authorized third parties, can obtain the medication from pharmacists by providing them with the prescription barcode.
6. Medicines can also be delivered by a certified courier company to vulnerable groups and patients who are in isolation.

#### **I. Approval of Technical Specifications for Urgent Supplies for Vital Public Health Needs**

1. Article 16 of the Act of Legislative Content of 11 March 2020 (Official Government's Gazette A/55) stipulates that technical specifications, required quantities and delivery times for the products and services to be supplied in order to meet public health emergencies of public hospitals and other legal entities supervised by the Regional Health Districts (DYPEs) against COVID-19, are approved by decision of the Central Council of Health Regions (KESYPE).

#### **J. Prohibition of Exports of Paracetamol and Products Necessary for the Treatment of COVID-19**

1. By way of its decision 33887/13.03.2020, the National Organisation for Medicines (EOF) extended the prohibition of parallel export and intra-Community movement to include paracetamol products and products necessary for the treatment of COVID-19.
2. The EOF has advised that supply obligations of Greek affiliates towards their Cyprus partners may be exempted if based on contractual commitments and to the extent regular local supply is not impacted.

#### **K. Electronic Submission of Requests to the EOF**

1. On 23 March 2020, the EOF announced that requests must be submitted to its protocol service via the email address [protokollo@eof.gr](mailto:protokollo@eof.gr) from 24 March 2020 onwards.
2. The application form and any attached documents must be in a pdf format and the size of the message can be up to 20MB.



## Contacts



**Yannis Chryssospathis**  
Partner  
E ychryssospathis@bernitsaslaw.com



**Ria Venaki**  
Senior Associate  
E rvenaki@bernitsaslaw.com



**Iro Stavropoulou**  
Senior Associate  
E istavropoulou@bernitsaslaw.com

## Litigation, Arbitration & Dispute Resolution - Administrative Law: Special Edition

### A. Suspension of the Operation of the Courts

### B. Deadline Extension for Social Security Payments and Appeals

### C. Entrance Prohibition to Greece of Foreign Nationals and Extension of Visas and Permits

### D. Medical Equipment, Products and Medicines

### E. Modifications to Administrative Law Procedures

### F. Derogations from and Modifications to Public Procurement Law Procedures

### G. Sanctions for Violations of Emergency Measures

#### A. Suspension of the Operation of the Courts

1. The operation of the Greek Courts, the Court of Audits and the Public Prosecutor offices has been temporarily suspended so far from 16 March 2020 until 27 March 2020, with some exemptions by Article 11 of the Act of Legislative Content of 11 March 2020 and the Joint Ministerial Decision no. Δ1α/ΓΠ.οικ.18176/15.3.2020.

#### B. Deadline Extension for Social Security Payments and Appeals

1. The deadlines for the payment of social security contributions by companies for their employees may be extended without an obligation to pay interest by a relevant Joint Ministerial Decision, following Article 3 of the Act of Legislative Content of 11 March 2020.
2. Deadlines for the submission of objections and other administrative appeals before the Social Security Fund (*e-EΦKA*) have been extended until 30 April 2020 by way of Article 20(2) of the Act of Legislative Content of 14 March 2020.

#### C. Entrance Prohibition to Greece of Foreign Nationals and Extension of Visas and Permits

1. The validity period of visas, residence permits and permanent residence permits may be extended by virtue of a decision of the Minister of Immigration and Asylum (Article 15(1)) of the Act of Legislative Content of 14 March 2020).
2. A temporary prohibition of entrance to Greece has been imposed on nationals of countries which are outside the EU and the Schengen Agreement with limited exceptions until 18 April 2020. Nationals to whom entrance to Greece is prohibited may apply to enter the country on an exceptional basis and on business or personal grounds (Article 9 of Act of Legislative Content of 14 March 2020 and Joint Ministerial Decision no. Δ1α/ΓΠ.οικ. 19030/17.3.2020).

#### D. Medical Equipment, Products and Medicines

1. Article 20(2) of the Act of Legislative Content of 14 March 2020 provides that special hospital equipment, means of personal protection and medicines may be requisitioned for a period up to 6 months by virtue of a Ministerial Decision.
2. Special hospital equipment, means of personal protection and medication can be requisitioned from persons or private entities for a period of up to 6 months (Article 20(2) of the Act of Legislative Content of 20 March 2020).

#### E. Modifications to Administrative Law Procedures

1. Businesses which suspend their operation while these temporary measures are in force may not be required to pay municipal fees for cleaning and lighting services if a relevant implementing decision is issued by the competent municipal board (Article 37(9) of the Act of Legislative Content of 20 March 2020).
2. Additional employees' health and safety regulations may be imposed on public works sites by Joint Ministerial Decisions in order to prevent the spread of Covid-19. Article 61 of the Act of Legislative Content of 20 March 2020 provides that failure to comply with the Ministerial Decisions that may be issued in this regard can result in fines.
3. Contracts for the provision of communication and public information services to the State may be awarded directly by way of derogation from procurement Law 4412/2006 (Article 62 of the Act of Legislative Content of 20 March 2020).

#### F. Derogations from and Modifications to Public Procurement Law Procedures

1. Article 1 of Ministerial Decision no. 20319/24.03.2020 provides that tender procedures scheduled for the time period between 24 March 2020 and 30 April 2020 relating to the award of public procurement contracts falling within the competency of the Ministry of Infrastructure and Transportation and governed by procurement laws 4412/2016 and 4413/2016 have been postponed until 30 April 2020. The publication of calls for tenders is also postponed in the same way.
2. Article 2 of Ministerial Decision no. 20319/24.03.2020 extends the deadline for submitting expressions of interest or offers in the context of calls for tenders falling within the competency of the Ministry of Infrastructure and Transportation that were published up until 20 March 2020 and governed by laws 4412/2016 and 4413/2016 by two months.
3. Article 3 of Ministerial Decision no. 20319/24.03.2020 provides that all deadlines provided under any procurement

laws, such as 4412/2016 and 4413/2016 for tenders and contracts where the Ministry of Infrastructure and Transportation is the contracting authority, are automatically suspended for the time period between 24 March 2020 and 30 April 2020. Any time limits that started to run before 24 March 2020 shall continue and expire after 30 April 2020.

4. Article 4 of Ministerial Decision no. 20319/24.03.2020 stipulates that all deadlines provided in the context of contract implementation, including concession contracts, where the Ministry of Infrastructure and Transportation is the contracting authority, are automatically extended until 30 April 2020. Any time-limits that started to run before 24 March 2020 shall continue and expire after 30 April 2020.
5. Articles 26 and 27 of the Act of Legislative Content of 14 March 2020 provide that any contracting authority may directly award:
  - a. the provision of cleaning, disinfection and security services; and
  - b. the supply of the necessary material, services, software and IT equipment for the provision of remote working services,by way of derogation from any national public procurement provision.
6. Articles 8 and 12 (2) of the Act of Legislative Content of 11 March 2020 provide that supplies of articles for personal hygiene or any other means of collective protection from the spread of coronavirus COVID-19, or the provision of relevant services, may be carried out by all contracting authorities supervised by the Ministry of Finance, the Independent Authority for Public Income (ΑΑΔΕ) or the Ministry of Education and Religious Affairs, through a direct award by way of derogation from public procurement provisions.
7. Various Ministries and contracting authorities supervised by them, regional and local authorities, the National Center of Immediate Help (Ε.Κ.Α.Β.), the National Organisation for Public Health (Ε.Ο.Δ.Υ.) and the National Organisation of Health Services (Ε.Ο.Π.Υ.Υ) may proceed to direct awards for the supply of particular goods and materials or for the provision of particular services by way of derogation from any national public procurement provision. The supplies and services (which may vary for each contracting authority) include in particular:
  - a. articles of hygiene, medicines and any other means of collective protection from the spread of coronavirus COVID-19;
  - b. items of logistical infrastructure, consumables and supporting services, spare parts for ambulances and their medical equipment;
  - c. contracts with private third parties (diagnostic

laboratories), expansion and updating of IT systems and supply of relevant materials, including the purchase of computers.

8. Article 30 of the Act of Legislative Content of 14 March 2020 stipulates that communication and public information services may be directly awarded by way of derogation from any national provisions.
9. Article 37(3) of the Act of Legislative Content of 20 March 2020 provides that in the case of public supplies and provision of services to contracting authorities made in the interests of emergency protection against the spread of

COVID-19, the Greek Court of Audits will exercise pre-contractual audits where the estimated contract value exceeds €900,000.

## G. Sanctions for Violations of Emergency Measures

1. Article 23 of the Act of Legislative Content of 14 March 2020 imposes sanctions on businesses which violate the emergency measures dictated by the relevant acts issued to tackle the spread of COVID-19, including criminal sanctions, administrative fines and administrative closure of shops and revocation of their licenses.

## Contact



**Dimitris Roussis**  
Partner  
E droussis@bernitlaw.com

## Tax Briefing: Special Edition - Vol.1

### A. Ministerial Decisions A.1053/2020 and A.1054/2020 Implementing Article 2 of Act of Legislative Content dated 11 March 2020 on the Suspension of Debt and VAT Payments

### B. Measures Under the Act of Legislative Content of 20 March 2020

### C. Law 4675/2020 Provides for VAT Exemption on Antiseptic Products

#### A. Ministerial Decisions A.1053/2020 and A.1054/2020 Implementing Article 2 of Act of Legislative Content dated 11 March 2020 on the Suspension of Debt and VAT Payments

1. Within the framework of the Act of Legislative Content (ΠΝΠ) dated 11 March 2020, two Ministerial Decisions were issued (A.1053/2020 and A.1054/2020 - the Decisions) that

extend debt payments towards the State. In particular the time limit for the payment of established debts and VAT due from

- a. 11 March 2020 to 30 April 2020 to the tax authorities is extended until 31 August 2020. Legal entities affected by the spread of COVID-19 virus benefit from this time extension which applies to those entities that on 20 March 2020 had one of the activity code numbers included in the list attached to these Decisions as their main activity code number (ΚΑΔ). Payments of settled debts that are paid in instalments or partially by legal entities affected by the spread of COVID-19 are extended until 31 August 2020.
- b. The collection of debts and VAT overdue on 11 March 2020 from legal entities included in the Ministry of Finance's list, is suspended until 31 August 2020.
- c. No interest or penalty is due upon payment of the debt due.
- d. The above benefits are revoked if legal entities proceed to dismissals of employees employed under an employment contract during the suspension period.

- e. The same time extension is provided to lessors who are natural persons of real estate leased to legal entities affected by COVID-19.

## **B. Measures Under the Act of Legislative Content of 20 March 2020**

1. As of 20 March 2020 the VAT rate for specific hygiene products is reduced from 24% to 6%. The reduced rate will apply until 31 December 2020. Such products include:
  - a. protective masks and gloves;
  - b. antiseptic products, wipes and other relevant products;
  - c. soap and other products used for personal hygiene purposes; and
  - d. ethyl alcohol used for the production of antiseptics.
2. The tax authorities shall immediately refund taxes due up to the amount of €30,000 per tax payer and tax type. Such

refunds may be subject to a tax audit on a sample basis.

3. Legal entities affected by COVID-19, may be financed by the Greek State. The main source of such funding shall be the National or co-financed part of the Program of Public Investments. A ministerial decision will provide details regarding the financing method, the eligible legal entities and expenditures and other details for the implementation of the funding.

## **C. Law 4675/2020 Provides for VAT Exemption on Antiseptic Products**

1. The toll manufacturing for the production of antiseptics by industrial and craft enterprises is VAT exempt and the respective input VAT will be deductible. Such exemption applies only for antiseptics produced for the account of the Ministry of Health.

# Tax Briefing: Special Edition - Vol.2

## **A. Decision A.1056/2020 on Excise Duty Exemption for Denaturing of Ethyl Alcohol**

## **B. Decision A.1055/2020 on the Use of Ethyl Alcohol by the Ministry of Health Free of Charge**

## **C. New List of Legal Entities Eligible for Extension of Time Limit for the Payment of Taxes and Suspension of Collection of Overdue Debt**

## **D. Circular E.2038/2020 on the Hygiene Products that Qualify for Reduced VAT Rates**

### **A. Decision A.1056/2020 on Excise Duty Exemption for Denaturing of Ethyl Alcohol**

1. The Decision of the Director of the Independent Authority of Public Revenues (ΑΑΔΕ) A.1056/2020 provides guidelines on the procedures before the Customs authorities for the denaturing of ethyl alcohol and the Excise Duty exemption provided for ethyl alcohol delivered to industrial and craft legal entities.

### **B. Decision A. 1055/2020 on the Use of Ethyl Alcohol by the Ministry of Health Free of Charge**

1. By way of Decision A.1055/2020, the Director of the Independent Authority of Public Revenues made available 122.6 tons of ethyl alcohol free of charge to the Ministry of Health for the manufacture of antiseptics by the Greek State and 7 pharmaceutical companies.

### **C. New List of Legal Entities Eligible for Extension of Time Limit for the Payment of Taxes and Suspension of Collection of Overdue Debt**

1. On 24 March 2020 the Ministry of Finance updated the list of legal entities eligible for extension of the time limit for the payment of taxes and the suspension of collection of overdue debt.

### **D. Circular E.2038/2020 on the Hygiene Products that Qualify for Reduced VAT Rates**

1. The Act of Legislative Content of 20 March 2020 stipulates that the VAT rate for specific hygiene products is reduced to 6% (currently at 24%).
2. The reduced rate will apply until 31 December 2020.
3. These products include protective masks and gloves,

antiseptic products, wipes and relevant products, soap and other products used for personal hygiene purposes and ethyl alcohol used for the production of antiseptics.

4. Pursuant to the above provision, Circular E.2038/2020 details

the products that qualify for the reduced VAT rate based on the tariff heading of EU Regulation 2658/1987, as amended by Regulation 2019/1776 (Combined Nomenclature - CN - for the year 2020).

## Contacts



**Panayotis Bernitsas**  
Managing Partner  
E [pbernitsas@bernitsaslaw.com](mailto:pbernitsas@bernitsaslaw.com)



**Fotodotis Malamas**  
Counsel  
E [fmalamas@bernitsaslaw.com](mailto:fmalamas@bernitsaslaw.com)

# BERNITSAS

[www.bernitsaslaw.com](http://www.bernitsaslaw.com)

5 Lykavittou Street  
GR-106 72, Athens  
Greece

**Phone**

+30 210 339 2950 | +30 210 361 5395

**Fax**

+30 210 364 0805 | +30 210 361 8789

**Email**

[bernitsas@bernitsaslaw.com](mailto:bernitsas@bernitsaslaw.com)

Bernitsas Law Firm is a partnership of attorneys regulated by Presidential Decree 81/2005 and Law 4194/2013, as currently in force, with its registered address at 5 Lykavittou Street, Athens 106 72, Greece.

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