

Recently Issued Acts

Structural reforms

Liberalization of closed professions in Greece and other reforms

Law 4038/2012 of the Greek Ministry of Finance was passed on January 31, 2012, in Parliament, aimed at the liberalization of closed services professions, reflecting the effort of the coalition government to speed up the pace of crucial structural reforms. In an effort to boost employment, attract new foreign investment and even put a brake on the country's chronically high inflation rate, the so-called "multi-bill" covers a number of economic reforms, including the merging of numerous state bodies and providing more favorable terms for those that owe money to the state. The key provision is the deregulation of protected professions, such as the road-freight transport sector and the professions of lawyers and notaries, a crucial condition set by the International Monetary Fund and the European Union in order for further funding to be provided to Greece. Early last year, Greek parliament passed legislation abolishing regulations in 150 professions, sweeping away rules that govern everything from minimum fees to geographical restrictions.

Employment

New law regarding the approval of the new Loan Agreement with IMF introduces reduction of the minimum basic salary and amendments with regard to conclusion and effectiveness of National General Collective Employment Agreement and Collective Employment Agreements

By virtue of Law 4046/2012 voted on February 12, 2012, by the Greek Parliament, regarding the approval of the new Loan Agreement with IMF and the respective memorandum, a reduction equal to 22% of the minimum basic salary provided by the currently applicable National General Collective

Employment Agreement has been decided, now amounting 586 Euros (gross). Particularly with regard to young people aged between 18-25 years old the said reduction is 32%. Therefore companies are now entitled to proceed to the conclusion of employment agreements for indefinite time, with young people aged between 18 and 25 years old, with a minimum salary of 510,94 Euros (gross). The aforementioned minimum salaries shall be no further increased during the term of effectiveness of the memorandum, i.e. until 2015, while freeze of maturity provided by law and/or collective agreements (automatic increases in salaries depended on time of employment), until unemployment falls below 10% is also provided. Respective reduction, regarding not only minimum salaries as defined above, but all salaries in general in the private sector, is actually intimated upon termination of effectiveness of currently applicable National General Collective Employment Agreement (July 2012) as well as of respective Collective Employment Agreements. Worth mentioning are also following stipulations included in Law 4046/2012: a) obligation by the end of July 2012 for an overhaul of the National General Collective Employment Agreement, b) discretion of government for legislative adjustment of minimum salaries in case of failure of negotiations with the social partners for conclusion of New General Collective Employment Agreement, c) limitation of effectiveness of Collective Employment Agreements for a maximum duration of 3 years (including currently applicable agreements), d) reduction of grace period after termination of such agreements from 6 down to 3 months, e) elimination of unilateral recourse to arbitration, from now on requests for arbitration only being allowed by mutual consent of both parties, combined with prohibition of introduction of any provisions on bonuses,

allowances or other benefits, and limitation of arbitration on the basic salary issues. The implementation of all aforementioned provisions shall lead to further reduction of salaries, since in case of failure of conclusion of new collective employment agreements (which is deemed more likely due to the aforementioned provisions), companies shall be entitled to proceed to the conclusion of individual or special operational collective employment agreements with their employees, providing remuneration which will revert back to the minimum-basic salary (as defined above), plus following allowances: seniority, child, education and hazardous.

New informal Circular on the conclusion of Special Operation Collective Employment Agreements

A new circular has been recently issued by the Greek Ministry of Employment and Social Security Insurance, aiming at further clarification of article 37 of Greek Law 4024/2011. According to the said article, each company is entitled to proceed to the conclusion of special operational collective employment agreements with its employees, upon respective negotiations with association or collective organization representing at least 3/5 of its employees. The aforementioned circular further clarifies that a minimum number of 5 employees per company is required in order for such a collective organization to be established, through filing of respective petition before the competent local magistrate's court, since two of the employees shall be elected as the organization's representatives by an electoral commission constituted by at least three employees. Through conclusion of such a Special Operational Collective Employment agreement, reduction of salaries could be achieved, even in level lower than the minimum salaries provided by applicable Sectoral Collective Employment Agreements, though not lower than the respective minimum salaries provided by the enforceable National Collective Employment Agreement.

Social security contributions

New settlement for payment of owed contribution to Social Security Foundations

A new settlement for outstanding contributions to Social Security Foundations has been added to the so-called "multi-bill" of the Greek Ministry of Finances, i.e. Law 4038/2012, which was passed on

January 31, 2012 in the Greek parliament. Pursuant to the new regulation, following alternatives for outstanding contributions or additional surcharges existing on 31.12.2011, are provided: a) Payment gratuity or payment in 6 installments with a respective reduction equal to 100% of additional surcharges b) payment of at least 7 or maximum 10 installments, with a respective reduction equal to 75% in additional fees and surcharges, c) accumulation of the debt until 31.12.2011 and respective reduction equal to 40% in additional fees and surcharges. Furthermore, Law 4046/2012 which was voted on February 12, 2012, by the Greek Parliament, regarding the approval of the new Loan Agreement with IMF and the respective memorandum, introduced, among others, a reduction of social security contributions; however, in order for this new regulation to be implemented, this issue shall be further clarified through an additional ministerial decision.

Environmental protection – Waste management

New law incorporating two European Directives on the protection of the environment through criminal law as well as on the revision of the waste management legislation

Law 4042/2012 which had been submitted by the Greek Ministry of Environment, Energy and Climate Change to the Parliament, aiming to simultaneously implement Directive 2008/99/EC on the protection of the environment through criminal law as well as Directive 2008/98/EC which repealed former Directives regulating waste management, was voted on February 7, 2012. As regards the use of criminal law for the purpose of environmental protection, the law's scope is to strengthen the existing Greek legislation, among others, by introducing a list of severe environmental offences, by imposing more dissuasive penalties for environmentally harmful activities as well as by clearly regulating the criminal guilt of legal entities. Furthermore, through the implementation of the most recent Directive on waste management, Law 4042/2012 intends to clarify the existing legal framework, introducing, among others, a clearer definition of "waste" as well as a revised priority order with regard to waste management, with emphasis on the reduction of waste production, and also broadening the liability of waste producers.

Environmental licensing

The ministerial decision classifying all environmentally relevant works for the purpose of environmental licensing was issued

Following the issuance of Law 4014/2011 in September 2011 which aims to radically simplify and drastically accelerate the environmental licensing procedure, the Minister of Environment, Energy and Climate Change signed in January 2012 a Ministerial Decision (1958/13-1-2012) which was necessary for the implementation of the aforementioned law. The new regime provides for a simpler classification of all environmentally relevant works and projects into only two main categories (A and B), the first one being divided in two further subcategories (A1 and A2). The new Ministerial Decision includes the detailed classification of all kinds of works and activities to the new categories A1, A2 and B. Projects classified to category B will no longer need an environmental license, but they will only need to comply with some Standardised Environmental Commitments (different for each particular field of works), which shall be introduced in respective Ministerial Decisions also expected to be issued soon.

Betting & Gaming

Provision of license to OPAP SA (Organisation of Football Prognostics) for 35.000 game machines pursuant to article 39 of the main law on gaming (L. 4002/2011)

By virtue of Decision No 010010/4.11.2011 of the Ministry of Finance, a license was provided to OPAP SA for 35.000 game machines, 16.500 of which will be installed and exploited by OPAP SA through its own agencies, while the remaining 18.500 will be installed and exploited by third parties to which OPAP SA will grant such rights. The terms of such license will be defined in details in a respective Contract to be signed between OPAP SA and the Greek State. The License is agreed for a period of 10 years commencing 12 months after the date it was granted. The same Decision also stipulates that casino type games using random number generator – (RNG) shall be played only in game machines.

Draft Laws in Legislative Process

Business & Investments

TDraft Bill on Fast Track, Investment and Business Enhancement

The Greek cabinet approved on January 12, 2012 a draft law presented by the Development, Competitiveness and Shipping Ministry that includes measures designed to speed up investments, fully lift cabotage on Greek seas and cut down on the red tape. The minimum limits for including an investment project in the Fast Track process has been reduced from 200 million Euros to 120 million Euros, while investments in industry would henceforth only need a capital of about 15 million Euros. It also calls for a single reception centre for investments at Invest in Greece where applications will be responded to within 60 days. Other measures bring forward the

deadlines for concluding archaeological investigation so as not to delay investment plans and reduce the bureaucracy involved in exporting, cutting this back from around 38 different documents to an one-day approval process. Besides, the bill also contains stipulations on the introduction in Greek law of the legal form of an “idiotiki kefalaiouchiki etaireia”, following the proposal by the European Commission of the European Private Company (Societas Privata Europaea, SPE). The aim of the proposal is to remove the current need for limited liability companies to reincorporate themselves in the corresponding legal form in all the EU member countries in which they want to trade, which currently represents a substantial administrative burden for small and medium enterprises.

Litigation

New draft law for “fair trial and confrontation of denial of justice”

The Greek Ministry of Justice submitted at the end of January to the Greek Parliament a new draft law, introducing new regulations aiming at a faster and fairer trial, such as the following: Limitation of reasons due to which postponement of trials could be permitted, electronic (online) filing and service of law suits, assignment of significant cases to the magistrate's courts, simplification of obligatory confiscation procedures, obligatory setting of hearing dates for applications for provisional measures within 30 days from the filing of respective petition with simultaneous obligation for issuance of respective resolution within 48 hours from the hearing, soonest setting of hearing dates for disputes arising from employment agreements, simplification of procedures for the issuance of divorces by mutual consent, a two-hours extension of courts' daily working hours, definition of stricter procedures for the filing of prosecutions and introduction of several measures aiming at the faster trialling of criminal procedures.

Postal services and electronic communications

New draft law on the regulation of the postal market and on issues of electronic communications

A draft law was submitted to the Parliament on January 12, 2012 by the Ministry of Infrastructure, Transport and Networks, aiming at a) defining the way of transition to a regime of full liberalization of the postal market as from 1-1-2013, by incorporating Directive 2008/6/EC into the Greek legislation; and b) covering the gaps that have been created in the field of electronic communications requiring regulation. On the side of the regulation of the postal market, the draft law sets procedures and the timeframe for the liberalization of the market, defines matters

related to the provision of universal postal service, the terms and requirements for the provision of postal services and the obligations of the providers, issues related to the protection of the users as well as issues regarding the company “Hellenic Post SA” (“ELTA”). Regarding electronic communications, the draft law introduces amendments of stipulations of the laws 3431/2006 “on electronic communications” and 2801/2000 on, among others, issues of “antennas” construction licensing and installation. The draft law has been processed and approved by the Standing Committee of Financial Matters (Minutes of Meeting of January 31, 2012) and is ready to be discussed at the Parliament.

Sports

New draft law aiming to confront sports violence, doping and fixed matches

The draft law, which was submitted on January 2012 by the Greek Ministry of Culture and Tourism to the Greek parliament for voting, is expected to be passed within this week. The said draft law demonstrates the government's commitment for the confrontation of crucial problems in sports, specifically with regard to issues of sports violence, doping and fixed matches. Furthermore, some older measures are being introduced again, such as the electronic ticket and the stricter punishment of crimes which are executed during or by reason of sports meetings. Strict measures are also taken in relation to the establishment of supporters' clubs. Some new stipulations also refer to the athletes' transfers, the handling of clubs' debts after the issuance of final decisions by the competent sports tribunals as well as the right of federations to organize professional championships.

Drafts Introduced for Public Consultation

Intellectual Property

Issues regarding the collective management organisations and the right to public execution of intellectual property works were put into public consultation by the Ministry of Culture and Tourism

The public consultation started on December 6, 2011 and was concluded on January 10, 2012. The Ministry decided to put into public consultation not a draft law but those issues that it deemed that require regulation. In fact, they were put in the form of questions and comprised the following issues: effectiveness of the existing legislative frame, participation of the copyright holders in the decision making, transparency that needs to be provided by the collective management organisations (CMO), necessity to establish a mechanism for dispute resolution, criticism of the facilities currently provided by the CMO, necessity to establish a procedure of control and approval of fee structure, sanctions (feedback on the existing ones, need to establish additional measures), effectiveness of the information provided to the users as well as submission of proposals on any other matters not provided in the public consultation itself.

Tourism

Draft law on countryside's tourism, tourist ports and hotel licensing

The Greek Ministry of Culture and Tourism presented for public consultation a draft law aiming at the promotion of countryside's tourism, the enhancement of the operation of tourist ports and the simplification of hotel licensing. The said procedure has already been completed and the submission of the draft to the Greek parliament is expected within the following days. A main target of the draft consists in the promotion of Greek countryside's natural and cultural heritage. Furthermore, the competent Ministry introduces a series of amendments to the current legislation with regard to the structure and operation of tourist ports in order for the boat tourism to render more

competitive. Finally, in order to confront with complicated bureaucracy which creates a non benign environment for investments in hotels, the draft law provides for the simplification of the procedure necessary for the issuance of hotel licenses.

Land use

Draft Presidential Decree on categories and content of land use

The Greek Ministry of Environment, Energy and Climate Change presented for public consultation at the end of December 2011 a draft Presidential Decree aiming to amend the current institutional framework for land use. The draft P.D. includes more detailed definitions for each category of land use, introducing also several new categories, and provides for a more specialized classification taking into account the modern requirements of urban planning. The public consultation on the draft P.D. will be open until the end of February 2012.

Biofuels

Draft law incorporating two European Directives on the promotion of biofuels

The Greek Ministry of Environment, Energy and Climate Change presented for public consultation on January 5, 2012, a draft law which shall incorporate into national law the provisions of Directive 2009/28/EC on the promotion of energy use from renewable sources and Directive 2009/30/EC amending older Directives on the establishment of a mechanism to monitor and reduce greenhouse gas emissions, specifically with regard to the aspect of the promotion of use of biofuels. The draft law includes a series of particular stipulations aiming to promote the reduction of greenhouse gas emissions by replacing part of the fossil fuels consumed in transport with biofuels. The promotion of use of biofuels is expected not only to ensure environmental protection, but also to reduce Greece's dependence on energy imports. The public consultation was concluded on January 30, 2012.