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Factsheet for case GR-2020-12/667

Suspension of employment contracts

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Country	Greece, applies nationwide
Time period	Temporary, started on 20 March 2020
Type	Legislation or other statutory regulation
Category	Employment protection and retention – Changes to dismissal law or employment protection legislation
Case created	16 April 2020 (updated 05 May 2020)

Background information

By virtue of the Legislative Act 20.03.2020 "Urgent measures to address the consequences of the spread of COVID-19 coronavirus, to support the society and entrepreneurship, and to safeguard the smooth operation of the market and public administration" and the Ministerial Decisions 13031/Δ1.4551, 12997/231/2020 & 12998/232/23-3-2020, businesses that have been financially affected as per their Activity Code Numbers (ACN), or their operation has been suspended under a state decision, are able to suspend contracts of employment of part or all of the staff for a continuous period of 45 days, while prohibiting employees' dismissal. Then, on 7 April 2020, the Ministry of Labour issued the circular 14676/253/2020, revoking the authorization formerly issued to businesses-employers entailing the power suspend their employees for emergency reasons. (i.e. reasons of public interest). The measure can be applied in case of closure consequent to a State decision or to other companies listed by sector and only to cover extraordinary, urgent, non-deferred needs for reasons of public interest, or to cover extraordinary and non-deferred business needs in general. For the suspension period, the employee's remuneration was at the employers' expense.

Content of measure

Businesses that have been financially affected as per their Activity Code Numbers (ACN), or their operation has been suspended under a state decision, can suspend contracts of employment of part or all of the staff

for a continuous period of 45 days, while prohibiting employees' dismissal. The list of ACNs is dynamic and more ACNs may be included. Should a dismissal take place - regardless of whether that dismissal concerns an employee whose employment has been suspended - it will be considered null and void. The suspension of the employment contracts may be applied for up to one (1) month from 20.03.2020, with the possibility of extension following a joint decision of the Ministers of Finance and Labour and Social Affairs, taking into account the development of the crisis. Since 7 April 2020, businesses-employers can terminate their employees' contract suspension due to emergencies (i.e. reasons of public interest). Such revocation is applied either in case of closure by an order of a state decision or to affected businesses based on their ACN and only to cover extraordinary, urgent, non-deferred needs for reasons of public interest, or to cover extraordinary and non-deferred business needs in general. The employer shall declare to the ERGANI platform the work provided and the suspension period of 45 days is extended respectively to the days of work provided. The measure will be applied for as long the suspension period lasts.

Use of measure

No available information

Actors, target groups and funding

Actors	Target groups	Funding
National government Company / Companies	All companies Companies providing essential services	No special funding required

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

No involvement

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 20 March 2020: Act of Legislative Content on “Urgent measures to address the consequences of the spread of the coronavirus COVID-19, to support society and entrepreneurship and to ensure the smooth functioning of the market and public administration.” (O.G A’ 68/20-3-2020) (www.e-nomothesia.gr)
- 23 March 2020: Circular 14676 /253/2020 "Clarifications on 23-3-2020 JMC (B’1078) for measures to support employees and companies-employers of the private sector, to deal with the effects of the COVID-19 and other measures (www.taxheaven.gr)
- 07 April 2020: Corrections to companies' statements and payment dates for 800 euros. (www.e-nomothesia.gr)
- 22 April 2020: Minister of Labour, Mr Giannis Vrotsis, Announcement (www.ypakp.gr)