

NEWSLETTER – MARCH 2023

About ECOVIS



Ecovis is a leading global consulting firm with its origins in Continental Europe. It has over 5,000 people operating in over 80 countries. Its consulting focus and core competencies lie in the areas of tax consultation, accounting, auditing, and legal advice. The strength of Ecovis is the combination of personal advice at a local level with the general expertise of an international and interdisciplinary network of professionals. Every Ecovis office can rely on qualified specialists in the back offices as well as on the specific industrial or national know-how of all the Ecovis experts worldwide. This diversified expertise provides clients with effective support, especially in the fields of international transactions and investments from preparation in the client's home country to support in the target country. In its consulting work, Ecovis concentrates mainly on mid and large-sized firms. Both nationally and internationally, its one-stop-shop concept ensures all-round support in legal, fiscal, managerial, and administrative issues. The name Ecovis, a combination of the terms economy and vision, expresses both its international character and its focus on the future and growth.

During the first two months of 2023, several significant changes were introduced concerning employment matters in Greece, affecting key areas concerning businesses, as well as self-employed individuals and freelancers.

Some of the key developments that took place were the following:

1. Adjustment of the new maximum limits of insurable earnings and the amounts corresponding to the respective insurance classes, effective 1 January 2023

In accordance with Ministerial Decision No. 30/01/2023, the insurance classes of self-employed individuals and freelancers are now determined as follows:

Insurance Classes	Total Contributions as of 1 January 2023 (EUR)
Class 1	230.25
Class 2	276.31
Class 3	331.13
Class 4	398.02
Class 5	476.96
Class 6	620.60
Special class	138.15

Pursuant to the provisions of Art. 97(3) of No. Law 4387/2016, the amounts of the insurance classes for the payment of the monthly supplementary insurance contribution for self-employed persons, freelancers, and self-employed lawyers and engineers under the Supplementary Insurance Branch of the e-EFKA (National Social Security Agency) and the TEKA (Auxiliary Pensions Defined Contributions Fund) are also increased and set as follows:

Insurance Classes	Supplementary pension contribution amounts as of 1 January 2023 (EUR)
Class 1	42.76
Class 2	51.53
Class 3	61.4

At the same time, the maximum insurable earnings of employees under Art. 5(2)(a) and Art. 38(2) of Law No. 4387/2016, upon which the calculation of the monthly insurance contribution of employees and employers is based, is now increased by 9,645262611330377% and set at EUR 7.126,94.

2. Adjustment, as of 1 January 2023, of the new limits of daily salaries and imputed daily wages under the applicable insurance classes

The below represent the new limits of daily salaries and imputed daily wages under the applicable insurance classes of the e-EFKA, determined on the basis of the e-EFKA pension increase rate of 7.75% (Joint Ministerial Decision No. 126331/28.12.2022 K.Y.A. – Official Government Gazette 6949 B7), which also came into force on the same date. Accordingly, the revised insurance classes for employees receiving variable wages for the year 2023 were also published.

Daily Salaries		Imputed Daily Wages (EUR)	Insurance Class	Imputed Daily Wages (EUR)
0.00	8.65	8.65	Special Class 1	8.65
0.00	12.66	12.66	Class 1	11.92
12.67	15.05	15.05	Class 2	14.33
15.06	17.92	17.92	Class 3	17.23
17.93	21.05	21.05	Class 4	19.79
21.06	24.08	24.08	Class 5	22.89
24.09	27.19	27.19	Class 6	25.98
27.20	30.09	30.09	Class 7	28.83
30.10	32.73	32.73	Class 8	31.67
32.74	35.78	35.78	Class 9	34.61
35.79	38.39	38.39	Class 10	37.38
38.40	42.19	42.19	Class 11	40.01
42.20	45.73	45.73	Class 12	43.58
45.74	49.76	49.76	Class 13	47.47
49.77	53.63	53.63	Class 14	51.53
53.64	57.28	57.28	Class 15	55.07
57.29	60.93	60.93	Class 16	58.83
60.94	64.37	64.37	Class 17	62.31
64.38	67.91	67.91	Class 18	65.84
67.92	71.59	71.59	Class 19	69.41
71.60	74.86	74.86	Class 20	72.76
74.87	78.05	78.05	Class 21	76.13
78.06	81.55	81.55	Class 22	79.30
81.56	85.39	85.39	Class 23	83.04
85.40	89.35	89.35	Class 24	87.00
89.36	93.23	93.23	Class 25	90.88
93.24	97.09	97.09	Class 26	94.74
97.10	100.81	100.81	Class 27	98.62
100.82	104.83	104.83	Class 28	102.30

3. Working time organization – Leaves

As of 12 January 2023, all companies/employers that have completed the registration process towards the digital organization of the working time of their employees, who have a dependent employment relationship, may register their leaves in the new digital environment of the ERGANI II system. Indeed, they can do so retrospectively and until the end of the first ten days of the calendar month following the month in which they were granted. This registration will be possible from the first day of the month in which the leave was granted and up until the tenth day of the next calendar month. These statements concern leaves that were granted from January 2023 onwards.

They shall include the recording of an employee's Regular Leave for the period "From Date (...) / To Date (...)", the recording of other types of Day Leave on a specific date, as well as the recording of the employee's various types of Time-Off on a specific date, as well as additional information for "From Time (...) / To Time (...)".

The user can submit a Working Time Organization - Leave statement "Labour Inspection Body (SEPE) DOCUMENTS > Digital Working Time Organization > Import", choosing the status option "Working Time Organization - Leave".

For this procedure, it is also possible to submit a corrected entry by filling in the reference number and the date of the original submission. By submitting the declaration with a corrected entry, the original statement is withdrawn and only the

content of the new statement will be valid. There is also an option for recalling the statement. The above options should be in accordance with the relevant legislation governing the granting of each leave that is granted.

4. Calculation of the insurance days of members of Boards of Directors

Circular No. 40/2022 of e-EFKA provides notification of the provisions of Article 34 of Law No. 4670/2020 replacing those of Article 38 of Law No. 4387/2016, as it was in force. More specifically, as regards the insurance of the members of the Board of Directors of Public Limited Companies and Agricultural Cooperatives, the way of calculating the days of insurance changes as of 1 January 2023.

As is known, following the provisions of Article 38(3)(d) & (e) of Law No. 4387/2016, Members of Boards of Directors were added as a new category of insured persons/contributors to the e-EFKA on 1 January 2017 with regard to the remuneration they receive in their capacity as Board members, which is unrelated to the entering into a dependent employment relationship.

It is noted that, based on the following provisions, changes are made solely regarding the way in which the days of insurance are calculated.

Provided that the amount of the insurance contribution paid pursuant to the provisions of Article 34(3) of Law No. 4670/2020 corresponds to or exceeds the amount of the contribution on the current basic salary of a salaried employee, it is deemed that the insured person has completed twenty-five (25) days of insurance per month.

If the amount of the insurance contribution is less than the amount of the contribution on the basic salary, the monthly insurance period shall be calculated by dividing the insurance contribution paid by the amount of the contribution on the basic salary multiplied by 25.

The amount of the insurance contribution shall be deemed to be the amount corresponding to the main pension branch (20%).

The monthly contribution is the product of the calculation of: monthly remuneration x 20%.

The first application of the instructions herein, through the online submission of the e-EFKA Analytical Periodic Statement (APD) for the representation of the insurance of the members of the Board of Directors of Public Limited Companies and Agricultural Cooperatives for remuneration received in the capacity of a Board member, is defined as the salary period (reference month) of December 2022 (12/2022).

5. Estimated increase in the minimum wage

In accordance with Article 39 of Law No. 5013/2023 (Official Government Gazette A' 2/19-01-2023) on "Multi-level governance, risk management in the public sector and other provisions", the deadlines for the submission of all the procedures for the increase in the minimum wage (written invitation on the part of the Coordination Committee of the public consultation, drafting and submission of the report, the transmission of the memorandum and documentation as well as of the report of the specialized scientific and research bodies to the Centre for Planning and Economic Research, along with the draft Consultation Conclusion and the recommendation of the Minister of Labour and Social Affairs to the Council of Ministers), in order for the new minimum wage increase to take place on 1 April 2023, instead of on 1 May 2023, as was originally planned.

The rate of increase of the minimum wage is expected to range from 5.5% (most likely scenario) to 9.5%, with a view to setting the minimum wage at pre-2011 national levels.

Depending on the rate of increase, the overall cost is expected to shift from EUR 713.00 to EUR 752.00-€781.00, which entails impending increases in a variety of benefits and allowances dependent on the minimum wage (for example, unemployment benefits, managerial contract determination thresholds, and so on).

With reference to the three-year periods of service completed by employees (triennials), and as it does not appear that the rate of employment will fall under the 10% threshold, it is not expected that they will be 'unfrozen' beyond 14 February 2012.