



Changes in Greek companies' establishment and GEMI maintenance

New law 4919/2022 issued on 7 April 2022 introduces a number of changes in the establishment of Greek companies and the maintenance of the General Commercial Registry (GEMI).

New law 4919/2022 of the Ministry of Development and Investments on the "Incorporation of companies through the One-Stop-Shop Services and maintenance of the General Commercial Registry - Transposition of Directive (EU) 2019/1151 of the European Parliament and of the Council of 20 June 2019 amending Directive (EU) 2-17/1132 on the use of digital tools and processes in company law (L 186)" (the "Law") includes provisions pertaining to the online establishment of companies and branches in Greece and the online filing of corporate documents and actions with the General Commercial Registry (GEMI) for the improvement of the business environment.

Below you may find a summary of the key provisions of the Law:

1. Creation and maintenance of three new registers

- **Register on Non-Commercial Economic Activity**

This register shall enter into force on 1 October 2022 and shall include associations, foundations, fundraising committees and civil companies of the Greek Civil Code (GCC).

- **Register of Corporate & Trade Names**

This register shall enter into force on 1 July 2022 and shall include the corporate and trade names of all individuals and/or legal entities engaged in commercial activity or non-commercial economic activity recorded in

chronological order. The reservation of the corporate and trade name shall be applicable in the whole country and not only in one specific region as per the former legal regime.

- **General Registry of Members of Scientific Institutions**

Self-employed individuals (registered in certain professional registries) not engaged in commercial activity may be optionally registered in this register. Such registration is a condition of the granting of financial aid or subsidies from the European Union.

2. Extension of entities that may be established through the One-Stop-Shop (OSS)

The law extends the types of entities that may be established through the OSS to include:

- a. Civil Association of Law 1667/1986
- b. Social Business Association and Employees Association of Law 4430/2016
- c. Social Limited Liability Association of article 12 of Law 2716/1999
- d. Civil Company with economic object of article 784 of the Civil Code and article 270 of Law 4072/2012
- e. European Group of Economic Object of Council Regulation (EEC) 2137/1985
- f. European Company of Council Regulation (EC) 2157/2001

- g. *European Cooperative Society of Council Regulation (EC) 1435/2003, and
h. Joint Venture of article 293 of Law 4072/2012.

Establishment through the OSS is **not** available for:

- Companies that are established by virtue of corporate transformations
- Companies that require an administrative authority's licence
- Athletic/sport SAs.

*Applicable as of January 2023

3. Establishment process of companies

Companies shall be established through the competent OSS of the GEMI or online, through e-OSS via the use of the template Articles of Association, while notarial deeds shall not be required.

It is worth noting that entities will be able to submit an application for the opening of a bank account to any bank institution through the Information System of OSS.

4. Applicability of template Articles of Association with additional content to all company types, available also in English language

Additional content was previously available only for IKE companies.

5. Extension of entities that are mandatorily registered with the GEMI

The entities that must be registered with the GEMI are extended to include, among others, legal entities and individuals that are engaged in trading and commerce, sole proprietorships with an establishment in Greece that carry out commercial transactions in their own name or that sell goods or services or intermediate in the sale thereof through an organised structure or taking advantage of the workmanship of third persons, Employees' Cooperatives et al.

6. Issuance of EUID number and Interoperability

Upon establishment, all new entities shall acquire automatically a "European Digital Identity" (EUID) for the facilitation of communication between the registries through the platform of the Business Registers Interconnection System (B.R.I.S.).

7. Suspension of registrations with the GEMI (applicable as of 1st July 2022)

Entities shall be placed automatically in a suspension of registrations regime in case they fail to timely meet certain legal obligations (e.g. non-timely filing of annual financial statements, etc.).

8. Automatic registration of changes of foreign parent companies of Greek Branches with the GEMI through the B.R.I.S.

9. Online registration of information and documents of branches of foreign EU companies.

10. Specification of Fines and Penalties

The fines and penalties triggered for incompliance with the Law are specified, ranging between EUR 500-100,000, and/or even imprisonment depending on the severity of the non-compliance.

The controversial Register of disqualified directors (mainly a "black list" of ineligible directors), which was included in the draft of the law submitted for public consultation, has been excluded from the law.

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