

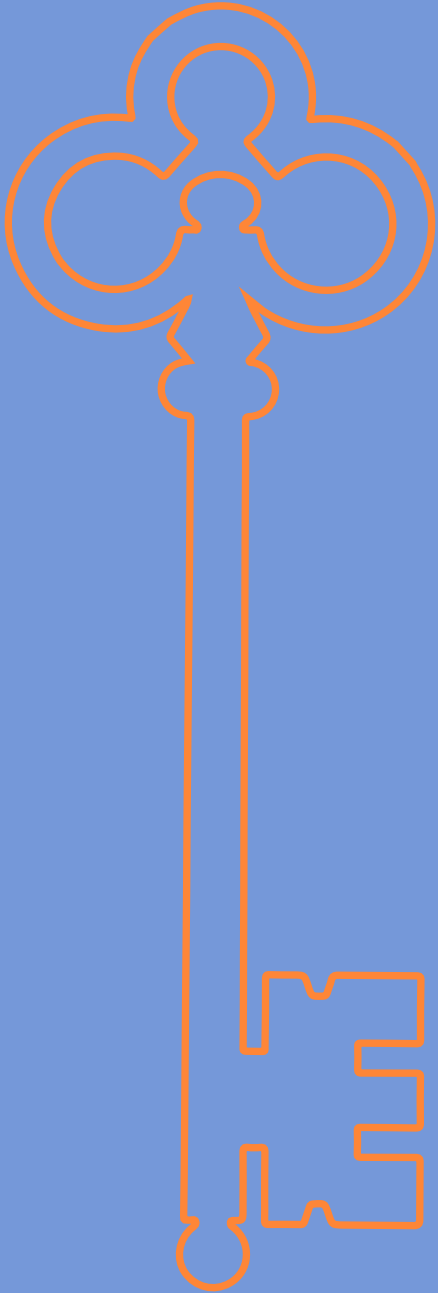
## 1.3 The institutional framework and forms of social entrepreneurship in Greece



**ReinFORCE SOCIAL Entrepreneurial Spirit through setting up  
Innovative Support Structures in the cross-border Territory  
“Social Forces”**

**4.9.2: Design and Development of the Training Material**





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## *Historical review of the institutional framework of Social Entrepreneurship (1)*

Law 602/1915	The first structured and institutionalized effort for the development of Social and Solidarity Economy in Greece refers to the cooperative economy with Law 602/1915 and has been particularly developed through the agricultural sector. Law 602/1915 encourages the creation of cooperatives and allows cooperative bodies operating in another legal form to acquire the legal form of the cooperative.
Article 12 of the Constitution of 1975	Article 12 of the Constitution of 1975 provides for the institutional establishment of cooperatives and their differentiation from associations and enterprises.
Law 921/1979	In 1979 the Law 921/1979 is adopted, <b>1979</b> providing the creation of the first female cooperatives, which promote local development and culture.
Law 2076/1992	In 1992, a specialized institutional framework for cooperative financial institutions is created (Law 2076/1992), but no overall public policy for Social and Solidarity Economy is established.

## *Historical review of the institutional framework of Social Entrepreneurship (2)*

Law 2716/1999 (Article 12)	In 1999, the Greek Government adopts the Law 2716/1999 aiming at the de-institutionalization of psychiatric patients through Social Cooperatives of Limited Liability.
Article 741 of the Civil Code	According to the Article 741 of the Civil Code, that NGO is a contract between two or more parties, which are mutually obliged to pursue a common purpose with joint financial contribution.
Law 4019/2011	In 2011, the first law focuses on Social Economy and Social Entrepreneurship is introduced. Law 4019/2011 provides the establishment of the Social Cooperative Enterprise as a new type of enterprise.

## *Historical review of the institutional framework of Social Entrepreneurship (3)*

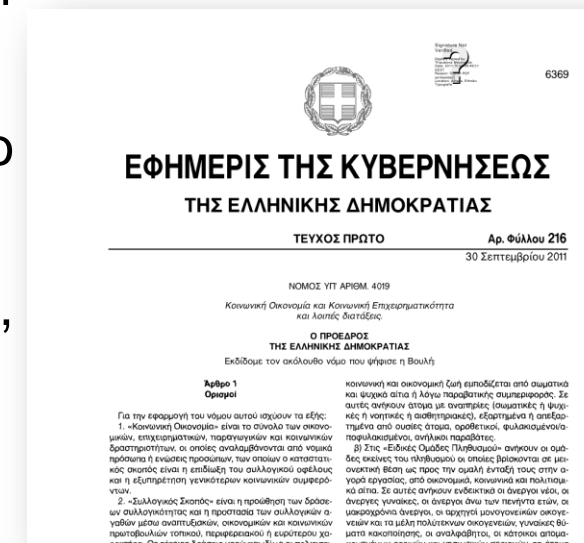
Law 4430/2016	In 2016, there was an effort to update the legislation on social economy and social entrepreneurship. Law 4430/2016 provides a new framework for different types of non-profit organizations and enterprises of Social and Solidarity Economy that implement a democratic decision-making system and have a clear collective social impact while at the same time covering social needs offering in this way an alternative to the market.
Law 4542/2018 (Article 12)	Article 12 of Law 4542 that adopted in 2018, modifies the institutional and organizational framework of Social Cooperatives of Limited Liability.
Articles 78 to 106 of the Civil Code	Articles 78 to 106 of the Civil Code provide that associations are non-profit-making.
Article 108 of the Civil Code	Article 108 of the Civil Code defines foundations as entities using their own resources to serve a specific purpose.

# Law 4019/2011

The first step for the development of social entrepreneurship in Greece , without, however, standardizing - by restrictive or even indicative criteria - the institutional forms of social economy.

The law provided for a new form of social enterprise, the **Social Cooperative Enterprise**, which was divided into three categories:

- I. **Social Cooperative Enterprise of integration**, where at least 40% of their employees, come from the vulnerable social groups.
- II. **Social Cooperative Enterprise of social care**, with the aim to provide health and welfare services to specific population groups.
- III. **Social Cooperative Enterprise of general productive purpose**, which included a wide range of activities and goals.

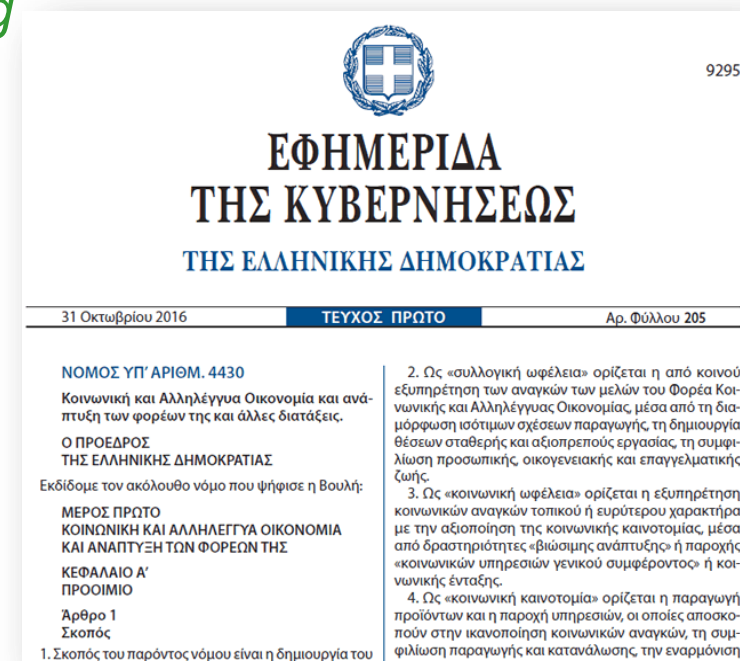


# Law 4430/2016

## «Social and Solidarity Economy and Development of its Bodies and Other Provisions»

*Introduced a new regulatory framework for different types of bodies or enterprises with clear collective and social impact (Social and Solidarity Economy Bodies), which also respond to social needs.*

**Objective:** *to succeed and improve the preceding legislation, including Law 4019/2011, which is no longer in force*





# *Social Entrepreneurship Bodies*

01

Social Cooperative Enterprises  
(ar.14)

02

Social Cooperatives of Limited  
Liability

03

The Employees' Cooperatives  
set up by Article 24 of Law  
4430/2016

04

Any other non-single legal person, having  
acquired legal personality, such as:

- ☒ Agricultural cooperatives of Law 4384/2016 (A '78)
- ☒ Urban Cooperatives of Law 1667/1986
- ☒ Enterprises of articles 741 of the Civil code, given that the following cumulative conditions



# Categories of Social Cooperative Enterprises of Law 4430/2016 (1)

## 1. Social Cooperative Enterprises of integration

Social Cooperative Enterprises of Integration of Vulnerable Groups

Social Cooperative Enterprises of Special Groups

Social Cooperatives of Limited Liability

## 2. Social Cooperative enterprises of collective and social benefit



# Categories of Social Cooperative Enterprises of Law 4430/2016 (2)

## Social Cooperative Enterprises of Integration of Vulnerable Groups

- ✓ Seeking to integrate vulnerable people into the economic and social life.

- ✓ A minimum of 30% of the members and employees of these enterprises belong mandatory to these categories.

- ✓ The participation of persons belonging to Vulnerable Population Groups, which are counted in the above percentage, must be carried out for a certain period of time, which is specified in the Social Cooperative Enterprise Statute.

- ✓ If for any reason this percentage ceases, the Body must within three (3) months make the necessary subscriptions of members or recruitment of employees. Otherwise, it is transformed to Social Cooperative Enterprise of collective and productive purpose.

# Categories of Social Cooperative Enterprises of Law 4430/2016 (3)

## Social Cooperative Enterprises of Special Groups

- ✓ Seeking to integrate people belonging to Special Population Groups into the economic and social life.

- ✓ A minimum of 50% of the members and employees of these enterprises belong mandatory to these categories.

- ✓ The participation to these enterprises of natural persons belonging to the Special Population Groups, which are counted in the above percentage, must be carried out for a certain period of time, which is specified in the articles of Social Cooperative Enterprise.

- ✓ If for any reason the above percentage ceases, the Body must within three (3) months make the necessary subscriptions of members or recruitment of employees.

# Categories of Social Cooperative Enterprises of Law 4430/2016 (4)

## Social Cooperatives of Limited Liability

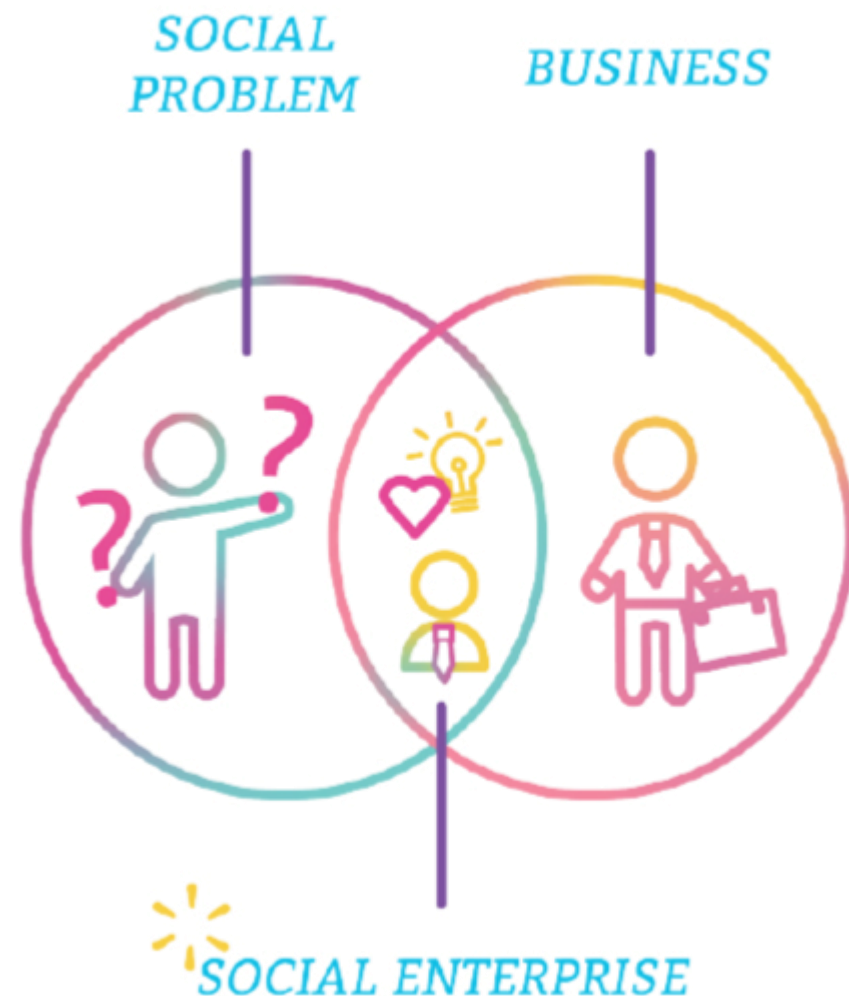
Are automatically considered to be Social Cooperative enterprises of Integration.



# Categories of Social Cooperative Enterprises of Law 4430/2016 (5)

## Social Cooperative enterprises of collective and social benefit

Develop "sustainable development" activities, or provide "general interest social services".



# *Establishment of Social Enterprises in Greece*

## Minimum required number of members for the establishment :

- Social Cooperative Enterprise of **Collective** and **Social Benefit**: **five** persons, natural or legal
- Social Cooperative Enterprise of **Integration**: **seven** persons



# *Social Cooperative Enterprise statute (1)*

Must include:

**a) The legal name, headquarters and objective of the Social Cooperative Enterprise:**

- **The headquarters** is defined by the Municipality in the region of which, the organization has its headquarters.
- **The name** is defined by its objective and the type of Social Cooperative Enterprise.

**b1) for natural persons:**

- ✓ Names
- ✓ addresses
- ✓ VAT numbers of the founding member

**b2) for the legal persons:**

- ✓ the name
- ✓ the head office
- ✓ the VAT
- ✓ the Register number.





## Social Cooperative Enterprise statute (2)

Must include:

**c) the conditions of exit and entry of members and the reasons for the expulsion of a member**

**d) the extent of the members responsibility**

**e) the amount of the cooperative share**

**f) the appointment of the temporary Administrative Committee to ensure the approval of the statute and the first General Assembly for electing the Social Cooperative Enterprise administrative members**

Συνέλευσης με αποκλειστικό σκοπό την εκλογή νέας Διοικούσας Επιτροπής.

### ΑΡΘΡΟ 22ο

#### ΑΡΜΟΔΙΟΤΗΤΕΣ ΤΗΣ ΔΙΟΙΚΟΥΣΑΣ ΕΠΙΤΡΟΠΗΣ

1. Η Διοικούσα Επιτροπή διοικεί και εκπροσωπεί το Συνεταιρισμό σύμφωνα με τις διατάξεις του καταστατικού και του νόμου και αποφασίζει για όλα τα θέματα που αφορούν τη διοίκηση και διαχείριση του, πλην αυτών που υπάγονται στην αποκλειστική αρμοδιότητα της Γενικής Συνέλευσης.
2. Τα μέλη της Διοικούσας Επιτροπής οφείλουν να καταβάλλουν κατά τη διαχείριση των υποθέσεων του Συνεταιρισμού την ίδια επιμέλεια που καταβάλλουν στις δικές τους υποθέσεις και φέρουν κάθε ευθύνη για την τήρηση των περιορισμών, του προς εκπροσώπηση δικαιώματος, που θέτει το καταστατικό ή οι αποφάσεις της Γενικής Συνέλευσης.
3. Η Διοικούσα Επιτροπή μπορεί να μεταβιβάσει αρμοδιότητες του σε ένα ή περισσότερα μέλη του ή και σε υπαλλήλους του Συνεταιρισμού.
4. Το αξίωμα του μέλους της Διοικούσας Επιτροπής είναι τιμητικό και άμισθο.

### ΑΡΘΡΟ 23ο

#### ΣΥΓΚΛΙΣΗ ΤΗΣ ΔΙΟΙΚΟΥΣΑΣ ΕΠΙΤΡΟΠΗΣ

Η Διοικούσα Επιτροπή συνέρχεται σε τακτική συνεδρίαση μία (1) φορά το χρόνο, με προαπαιτούμενη προκήρυξη σε συγκεκριμένη ημέρα και συγκεκριμένα θέματα διάταξης που καθορίζονται από κοινού. Θέματα ημερήσιας διάταξης προταθούν και από τα μέλη της Διοικούσας Επιτροπής. Η Διοικούσα Επιτροπή μπορεί να συνεδριάζει εκτάκτως όταν τη συγκαλέσει ο Πρόεδρος ή οποτε κριθεί αναγκαίο και ζητηθεί από το 1/3 των μελών της. Η σύγκληση που ο Πρόεδρος αδρανεί παρά την αναγκαιότητα, η σύγκληση από οποιοδήποτε μέλος της Διοικούσας Επιτροπής.

### ΑΡΘΡΟ 24ο

# *Establishment procedure (1)*

## 1st Stage: Submission of registration request

**Submission of a registration request** to the Registry of the Social Economy, having attached the statute and additional supporting documents (described in the Minister Decision and differed according to the category of the Body).

### **The Registry**

**checks the submitted data and proceeds to:**

- + Registration of the Social Cooperative Enterprise in the Register
- + Certificate of Registration which is valid only for the business activity commencement at the tax authority
- + Marking the statute and sending it to the Social Cooperative Enterprise



## *Establishment procedure (2)*

### 2nd Stage: Work registration statement at the tax office

**Documents  
required:**



- ❖ Start /Change of Work of Non-physical Person M3
- ❖ Statement of taxable person information M7
- ❖ Statement of members of a non-natural person M8 (in the case of legal entities participating in the enterprise)
- ❖ Proceedings of the first Steering Committee
- ❖ Valid and Certified Statute
- ❖ Certificate of registration of the Social Economy Registry
- ❖ Lease of concession for the premises of the company

## *Establishment procedure (3)*

### 3rd Stage: Submission of addition data

#### **A) Social Cooperative Enterprise submits to the Registry of Social Economy:**



- ☒ Application for the registration of additional data (exact address of the company's headquarters, the tax authority to which it is affiliated, VAT and Codes of Activity, the annual program of activities and the composition of the Managing Board)
- ☒ The three books for approval, described in the statute
- ☒ Certificate of Work registration statement at the Tax Office
- ☒ The minutes of the first General Assembly
- ☒ Minutes of the Managing Board election

## *Establishment procedure (4)*


### 3rd Stage: Submission of addition data

**B) The Registry checks the submitted data and proceeds to:**



- Approval of the request for additional information
- Certificate of Registration (valid until the submission of the first Annual Program of Activities, when it is replaced by the Certificate of Registry Member)
- Minute of the Managing Board election.

## *Establishment procedure (5)*

- 
- ✚ Upon completion of the second stage of the Social Cooperative Enterprise registration process in the General Registry of Social Economy (approval of the request for registration of additional data and certificate of Registration), the establishment of the company is completed.
  - ✚ The Department of Registry asks for additional information or corrections to be submitted by the Social Cooperative Enterprise within a specified time.
  - ✚ Deletion of the Social Cooperative Enterprise from the Registry or rejection of the request for registration could be implemented by the Registry.