

*(Text of the Bill, as submitted to the House of Representatives, 06/2019)*

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**BILL WITH TITLE**  
**ABOUT THE CREATION AND MAINTENANCE OF A REGISTRATION REGISTER**  
**SOCIAL ENTERPRISES**  
**LAW OF 2019**

Ranking of articles

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Κείμενο ως κατατέθηκε στη Βουλή

## BILL WITH TITLE

### ON THE CREATION AND MAINTENANCE OF A SOCIAL REGISTRATION REGISTER BUSINESS LAW OF 2019

Summary title. 1. This Law will be referred to as the one on Social Enterprises Law of 2019.

#### PART I - INTRODUCTORY PROVISIONS

Interpretation. 2 .- (1) In this Law, unless it appears from the text different concept-

"Competent authority" means the authority defined in Article 11;

"Enterprise" means a natural or legal person under private law; or group or association of persons, with or without legal personality, who develops economic activity;

"Social enterprise" means the enterprise which cumulatively meets the criteria of one of the two categories of Article 5;

"State enterprise" means an enterprise in which the Republic carries on decisive influence, which this decisive influence on its part Democracy is presumed when the Republic directly or indirectly

(a) holds most of its issued capital business; or

(b) has a majority of the votes corresponding to the securities issued by the company; or

(c) may appoint more than half of the members of the Management Board; management or supervisory body of the company;

"Social Enterprise Register" means the official list of registered social enterprises referred to in Article 4;

"Economic activity" means any activity that is constituted in the supply of goods or services in a given market.

Purpose.

3. The purpose of this Law is to enable

enterprises, with the exception of state - owned enterprises, to subscribe to Register of Social Enterprises. Right to register have registered companies in accordance with the Companies Law, cooperative companies in accordance with the Law on Cooperative Companies and other companies, regardless of their legal form, that are in able to document to the competent authority, to the associates and to them their customers, that they intend to make a positive impact on society and meet specific criteria for transparency and their mode of operation as defined in Article 5.

Chapter 113.

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17 of 1979

105 of 1985

198 of 1986

19 of 1990

46 (I) of 1992

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15 (I) of 1995

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82 (I) of 1999

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70 (I) of 2003

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129 (I) of 2005

130 (I) of 2005

98 (I) of 2006

124 (I) of 2006

70 (I) of 2007

71 (I) of 2007

131 (I) of 2007

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8 (I) of 1992  
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8 (I) of 2001  
123 (I) of 2003  
124 (I) of 2003  
144 (I) of 2003  
5 (I) of 2004  
170 (I) of 2004  
230 (I) of 2004  
23 (I) of 2005  
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177 (I) of 2007  
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122 (I) of 2014  
107 (I) of 2015  
138 (I) of 2016.

PART II - ESTABLISHMENT OF A SOCIAL ENTERPRISE REGISTER AND  
CRITERIA FOR REGISTRATION IN THE REGISTER

Establishment of a Register  
Social  
Business.

4 .- (1) Registered companies in accordance with the Companies Law, cooperative companies in accordance with the Law on Cooperative Companies and other companies, regardless of their legal personality, which cumulatively meet the criteria of Article 5 are defined as social enterprises and may be entered in the Register Social Enterprise, which is established under this Law.

Criteria for  
subscribe to  
Register  
Social  
Business.

5 .- (1) A social enterprise is defined as an enterprise, which is registered in the Republic and which cumulatively meets the criteria one of the following two categories of social enterprises:

(a) general purpose social enterprise -

- (i) in accordance with its founding and articles of association or otherwise legal document for its establishment, has as its primary purpose social mission through promotion positive social and / or environmental actions with in the interest of society,
- (ii) provides services or goods on the basis of a business model and the company is considered to meet that provided that most of its revenue comes from business,
- (iii) invest at least 70% of its profits in promoting its social mission and achieving it its primary purpose and applies pre-established procedures and rules regarding the distribution of profits to members, shareholders and owners in order to ensures financial viability:

It is understood that any profit distribution in case reduction of registered social capital general purpose business must meet the above condition:

It is further understood that for the part of the profits that were created during the period that the business was registered in the Register of Social Enterprises, the most The above condition must be met even after deletion of a general purpose social enterprise from Register of Social Enterprises, according to the article 14, and

(iv) is managed in a business-like, accountable and transparent manner; in particular with the participation of members and / or employees and / or customers and / or other stakeholders affected by its business activities and does not constitute state enterprise.

(b) social integration enterprise -

(i) in accordance with its founding and articles of association or otherwise legal document for its establishment, has as its primary purpose operating social mission through employment 40% at a minimum, the workforce of its enterprise, people belonging to vulnerable groups of the population, such as these are determined from time to time by a relevant decree,

(ii) provides services or goods on the basis of a business model and the company is considered to meet that provided that most of its revenue comes from business, and

(iii) is managed in a business-like, accountable and transparent manner; in particular with the participation of members and / or employees and / or customers and / or other stakeholders affected from its business activities and does not constitute state enterprise.

(2) The competent authority may issue guidelines for explanation and analysis of how the criteria are applied referred to in subsection (1).

Procedure  
subscribe to  
Register  
Social  
Business.

6 .- (1) A company can be registered in the Social Register Business by submitting an application to the competent authority in a format determined by the competent authority and published on its website.

(2) The application for registration in the Register of Social Enterprises accompanied by the following -

(a) the articles of association and articles of association of the company or other legal document for its establishment which contains:

- (i) the purpose of its establishment;
- (ii) a description of the pre - defined procedures and rules in with regard to the distribution of profits to members, shareholders and owners in order to ensure financial its viability,
- (iii) a description of how it is administered, and
- (iv) a certificate that it is not a State-owned enterprise;

(b) documentation through its financial statements; including audited financial statements, if exist, or any other document deemed appropriate by the competent authority principle that -

- (i) most of its revenue comes from bussiness activity,
- (ii) the enterprise invests at least 70% of its profits for promoting its social mission and achieving its primary purpose for the companies covered by in Article 5 (1) (a),
- (iii) provide remuneration in accordance with the duties and in accordance with what is offered in similar free market positions in its employees;

(c) documentation through relevant certificates or any other document, the competent authority deems it appropriate that at least 40% of it The company's workforce comes from vulnerable groups of the population, for enterprises falling within Article 5 (1) (b); and

(d) a solemn declaration that the members of the company are of advanced age of eighteen years and none of them has been sentenced to

imprisonment for the last ten years before taking over his duties in the business of fraud, money laundering or any other financial irregularity.

(3) The competent authority shall assess in advance whether the application and the Accompanying documents submitted by a company are complete and notifies the company within 20 working days of receipt of the application whether additional information is required.

(4) Business interested in registering in the Social Register Businesses are required to submit additional information if required in accordance with subsection (3).

(5) Within one month from the date of submission of a complete application and sufficient additional information the competent authority shall inform the company whether it was approved for registration in the Social Register Business and in case of approval updates the Register Social Business.

(6) In case the decision of the competent authority is negative the company has the right to file a hierarchical appeal to Council of Ministers within 45 days from the issuance of the decision in accordance with the procedure laid down in Regulations issued by the Council of Ministers or to file an appeal to the Supreme Court according to Article 146 of the Constitution:

It is understood that, in case of dissatisfaction with his decision Cabinet on the hierarchical appeal, the company has further right of appeal in accordance with the provisions of Article 146 of the Constitution.

Exclusive use of term "social business".

7. Companies registered in the Register of Social Enterprises, in accordance with Article 6, are entitled to the exclusive use of the term

"Social enterprise" when they are marketed or conducted their work or when communicating with the public.

### PART III - BUSINESS LIABILITIES AFTER REGISTRATION IN REGISTER OF SOCIAL ENTERPRISES

Liabilities  
social  
enterprise.

8 .- (1) The company is responsible for -

(a) the accuracy and truthfulness of the contents of the documents which submitted to the competent authority upon registration in the Register Social Enterprises,

(b) inform the competent authority of any changes to the documents submitted no later than two weeks from the date of change,

(c) inform the competent authority that the undertaking does not comply conditions of the definition of social enterprise and must deleted from the Register of Social Enterprises,

(d) the submission to the competent Authority of an Annual Report in accordance with provisions of Article 9.

Annual report. 9 .- (1) Business which was registered in the Social Register

Business is required to submit to the competent authority no later than by 30 April of each year, an annual report relating to previous year, containing the following information -

(a) overall payroll of the social enterprise;  
including members of the board of directors as well as any remuneration or salary to its founders or owners  
business;

(b) a description of the content of any agreements; or contracts concluded by the company;

(c) its immovable and movable assets;

(d) a description of how the undertaking fulfilled its primary purpose is to promote the positive social and / or environmental actions;

(e) documentation that most of its revenue during last year came from business activity;

(f) a certificate that it is still not a State-owned enterprise;

(g) in the event that profits have been distributed as before year, a calculation for its performance should be included capital invested;

(h) documentation that it is managed in a business-like, responsible manner; and transparent, in particular with the participation of members and / or employees and / or customers and / or other interested parties.

(2) In case the company is a company registered in Registrar of Companies and Official Recipient, according to approx Companies Law, or to the Comptroller of Cooperative Companies, according to Law on Cooperatives and all the information mentioned in subsection (1) are included in its annual financial statements, there is no obligation to submit a separate annual report in accordance with subsection (1).

Dissolution  
social  
company.

10 .- (1) In case of initiating a process of voluntary social dissolution company, which is registered in the Social Register Business, business cares like any profits be used to promote its social mission and

achieving its primary purpose, through distribution to another social business or other body that promotes social and / or environmental purpose.

(2) In case of compulsory liquidation of a social enterprise in companies, the Law on Companies applies, in partnerships, o Law on Cooperative Companies and in any business with another legal entity, the applicable Law.

#### PART IV - MAINTENANCE OF SOCIAL ENTERPRISES REGISTER

Competent Authority for its observance Register Social Business.	Competent authority for business approval purposes for registration in Register of Social Enterprises and keeping the Register of Social Enterprise is the Directorate-General for European Programs, Coordination and Development.
Details for entry in the Register Social Business.	<p>12 .- (1) The competent authority shall keep a Register of Social Enterprises in which are registered -</p> <ul style="list-style-type: none"><li>(a) the name and address of the registered office of the social enterprise;</li><li>(b) the names and addresses of the members of the central administration body of the social enterprise;</li><li>(c) the number of members of the social enterprise, if any;</li><li>(d) the number and date of approval of entry in the Register;</li><li>(e) its positive social and / or environmental actions in accordance with its statutes;</li><li>(f) the financial years for which financial years have been submitted situations;</li></ul>

(g) any other information deemed necessary by competent authority.

(2) The Register is always kept up to date and posted on website of the competent authority.

Recall  
registration in  
the Register  
Social  
Business.

13 .- (1) Subject to the provisions of subsection (2), the competent authority may at any time revoke registration in the Social Register Operations carried out in accordance with this Law if -

- (a) it appears that false or inaccurate information was submitted against the application for registration contrary to its provisions of this legislation,
- (b) the social enterprise or any of its members violates provisions of the Law,
- (c) the social enterprise does not comply with the provisions of the articles of association or its founding document or acts in such a way that can reasonably be considered to be violating them,
- (d) the social enterprise has been dissolved or is in liquidation;
- (e) a member of the social enterprise sentenced to imprisonment, is still a member of it after conviction of,
- (f) the social enterprise has modified it its articles of association or founding document without requesting approval of the competent authority or without complying with a designation from the competent authority, or

(g) any of the conditions that o

This Law requires for the registration of a social enterprise in the Register of Social Enterprises.

(2) The act of revocation of registration referred to in subsection (1), may be issued only after service of a written notice in the social enterprise with which the competent authority invites it to comply with its obligations within a maximum period of three months, which is specified in the written notice.

(3) In case the social enterprise does not comply within the time limit set out in the written notice, the competent authority may revoke the registration in the Social Register Business.

Consequences of  
revocation  
registration  
social  
company.

The withdrawal of the registration in accordance with Article 13 entails the deletion of the social enterprise from the Social Register Business and terminates any benefits to which it is entitled or rights he enjoys due to the registration in the Register, no terminates, however, any liabilities of an economic or other nature that have arisen or existed during the period of its validity; nor its responsibility to provide reports or information thereon with those obligations.

## PART V - OFFENSES

Criminal offense  
for false  
statements.

15. In the event that any person, knowingly, proceeds to false statement in any application, report, report or other document required for the purposes of this Law, is guilty offense, and is subject to imprisonment if not exceeds one year or a fine not exceeding ten thousand euros or both.

Criminal offense for its use term social enterprise without subscribe to Register Social Business.

16. In the event that any natural or legal person or persons trading or conducting work using the term social enterprise without being registered in the Social Register Businesses are guilty of offense and in case of conviction subject to a fine not exceeding fifteen thousand euros.

Criminal offense for violation during dissolution social company.

17. In case any social enterprise registered in the Register of Social Enterprises, violates the provisions of Article 10, regarding the distribution of profits in case of dissolution, is guilty of an offense, and is subject to a fine not exceeding fifteen thousand euros.

Criminal offense social company general purpose for distribution profits by violation of Article 5.

18 .- (1) General purpose social enterprise, registered in the Register Social Enterprise that violates the provisions of Article 5 (1) (a) (iii), is guilty of an offense and is subject to conviction in a fine not exceeding fifteen thousand euros.

#### PART VI - FINAL PROVISIONS

Version Regulations and Decrees.

19 .- (1) The Council of Ministers may issue Decrees for defining or regulating the following issues -

(a) for the operation of the Register of Social Enterprises;

(b) for the amount of the registration fee in the Social Register Business .

(c) the definition of vulnerable groups of the population with a view to defining a social enterprise as a social enterprise

integration in accordance with paragraph (b) of subsection (1) of Article 5.

(2) The Council of Ministers may also issue Regulations to define or regulate any issue it needs or is receptive to definition and generally for its best application of this Law.

(3) Without prejudice to the generality of subsection (2), the Regulations they may regulate the following -

- (a) the conditions for the exemption of social enterprises from the payment of fees, royalties, taxes or any other form government charges;
- (b) the conditions for the granting of State grants; or any other form of benefits or assistance to social enterprises;
- (c) details of the examination by the competent authority any complaints against social enterprises;
- (d) the procedure for registering a hierarchical appeal in accordance with with paragraph (6) of article 6 of this Law.

Entry into force. 20. This Law enters into force upon its publication in the Official Journal of the Republic.