



The Legal 500 & The In-House Lawyer  
Comparative Legal Guide  
Greece: Construction (2nd edition)

This country-specific Q&A provides an overview to construction laws and regulations that may occur in Greece.

This Q&A is part of the global guide to Construction. For a full list of jurisdictional Q&As visit <http://www.inhouselawyer.co.uk/practice-areas/construction-2nd-edition/>

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## 1. **Is your jurisdiction a common law or civil law jurisdiction?**

Greece has adopted the civil law legal system. The sources of Greek law are national legislation (constitution, laws, presidential decrees, ministerial decisions, legislative decrees) custom, the generally accepted rules of international law, the international treaties and the European Union Law. As opposed to the common law jurisdictions, case law (or precedent) is not recognised as a source of law.

## 2. **What are the key statutory obligations relevant to construction and engineering projects?**

A wide spectrum of obligations is placed on persons/entities engaging in construction and engineering projects. Such obligations most importantly include obligations to obtain certain permits related to the execution of the works, such as environmental, building, installation and operation licences, which, where required, are set as legal prerequisites for the commencement of the works. Further to the above, public projects contractors are subject to mandatory registration with the Greek construction and engineering register. As far as the private projects contractors are concerned, they are not under the obligation to become members of the register but they should do so in order for the technical experience earned from the performance of private projects to qualify as reference experience for public tenders. Apart from the necessary permits, construction and engineering projects need to be executed in compliance with multiple requirements, among which those related to employment, health and safety, corruption and finding of antiquities as in more detail described under Question 3 below. Execution of public works contracts is subject to further obligations laid down in Law 4412/2016 on Public Supply, Services and Works Contracts (Government Gazette A' 147/08.08.2016), which transposed Directives 2014/24/EC and 2014/25/EC into national law (**'Public Procurement Law'**).

## 3. **Are there any specific requirements that parties should be aware of in relation to: (a) health and safety; (b) environmental issues; (c) planning; (d) employment; and (e) anti-corruption**

**and bribery.**

**(a) health and safety;**

Any person/entity employing personnel in Greece (irrespective of whether employees are occupied in the construction of public or private projects) is under the obligation to observe certain minimum health and safety standards. Pursuant to Law 3850/2010, all enterprises operating in Greece are under the obligation to employ a technical security specialist, whereas enterprises employing more than fifty (50) employees shall, additionally, employ an occupational physician. Moreover, the employer shall take all necessary measures to ensure the application of health and safety rules at work, inform both the employees' representatives and the Labour Inspectorate on a number of health and safety related issues maintain an accidents data base, as well as encourage further training of its personnel.

**(b) environmental issues;**

As per Art. 2 of Law 4014/2011, implementation of private or public projects or activities which are likely to cause significant effects on the environment requires the issuance of an environmental permit following conduct of an environmental impact study and issuance of a decision approving the environmental terms. On the other hand, projects or activities with local and limited impact on the environment are only subject to certain standard environmental commitments, as prescribed by same law. The issuance of such environmental terms approvals, where required, is a prerequisite for any other administrative permits/approvals to be issued.

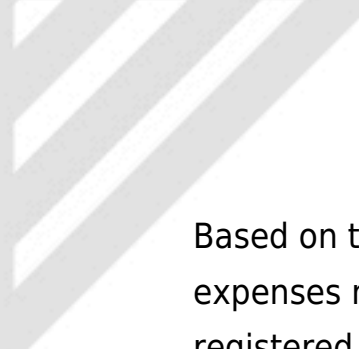
### **(c) planning;**

Based on Art. 29 para. 1 of Law 4495/2017, any construction work, such as the erection, modification and restructuring of buildings/facilities, requires the prior issue of a building permit. Such building permits are subject to renewal, in accordance with Art. 42 of the aforementioned law. In addition, as per Art. 10 of Law 3028/2002, in case of works to be performed on or in the proximity of monuments and historic buildings, a ministerial consent is required as a prerequisite for the granting of the building permit.

### **(d) employment; and**

According to the Greek labour legislation, the eight-hour workday system applies, whereas overtime work and relevant payment, as well as annual leave matters are also strictly regulated. Employment contracts of indefinite duration can be terminated at any time, unilaterally by either party, either with or without prior notice, such termination being subject to mandatory formal requirements; it being understood that, in case of termination by the employer, the employee is entitled to the applicable severance payment (Law 2112/1920 as amended by Law 4093/2012), whereas failure of the employer to pay the applicable severance payment renders the termination null. Finally, it is noted that, in order for an entity to legitimately employ any person in Greece, registration with the competent Greek tax authority and the relevant social security fund is mandatory; in this respect, the employer is under certain tax withholding obligations and is responsible for the payment of the statutory social security contributions for its personnel.

### **(e) anti-corruption and bribery.**

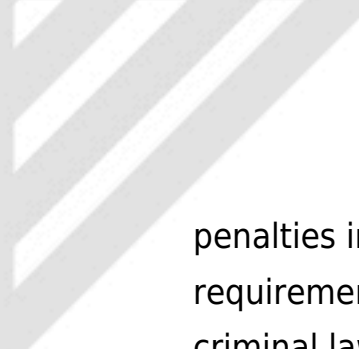


Based on the Greek anti-corruption legislation, all payments and expenses must be in accordance with one's economic activity and duly registered in the records of a commercial entity, otherwise such payments or expenses may be perceived as fictitious transactions. Further to the above, commercial payments are also scrutinised under tax legislation (primarily Law 4174/2013) and money laundering legislation (Law 3691/2008), non-compliance with which incurs heavy sanctions, such as administrative fines, temporary or permanent cease of activities, prohibition of certain business activities and ban from public procurements. Moreover, Greece has ratified the UN Convention on Combating Corruption (Law 3666/2008), whereas a General Secretariat against Corruption was established by Law 4320/2015. Further to the above, the Greek Criminal Code penalizes bribery under a number of legal bases (Art. 159, 159A, 234-237, 237A, 237B, 239).

Furthermore, Art. 38 of Public Procurement Law provides for the operation of a Central Electronic Register of Public Contracts, which aims at the collection, processing and publicity of data regarding public contracts concluded by contracting authorities/entities and central purchasing bodies. Additionally, Law 3310/2005, relating to the transparency of public contracts, imposes disclosure obligations on any private entity that has been awarded a public contract.

**4. What permits, licences and/or other documents do parties need before starting work, during work and after completion? Are there any penalties for non-compliance?**

For the permits/licences required within the context of a construction project, please refer to Questions 2, 3b and 3c above. As regards the



penalties imposed in case of non-compliance with such administrative requirements, severe sanctions apply both under administrative and criminal law. For instance, non-compliance with the environmental legislation (Art. 21 of Law 4014/2011) governing the requirements, shall lead to administrative liability, without prejudice to any other applicable civil or criminal sanctions. Likewise, as per Law 4495/2017, failure to comply with the prescribed building requirements, renders the respective construction unlawful and might incur the imposition of fines, prohibition of transfer, the issue of a demolition order, as well as criminal liability established under any applicable law.

**5. Is tort law or a law of extra-contractual obligations recognised in your jurisdiction?**

The Greek Civil Code ('GCC') recognises following extra-contractual (ex lege) liability sources:

- Torts (914-938 GCC);
- Pre-contractual liability (197-198 GCC);
- Unjust enrichment (904-913 GCC); and
- Agency without authority (Negotiorum gestio) (730-740 GCC).

**6. Who are the typical parties involved in a construction and engineering project?**

Large-scale private projects typically involve many parties bound together by a single or multi-level contracting structure. Key parties involved in construction projects are the **Employer** (typically also the project owner) and the **Contractor** (681 GCC). In practice, two main

types of contracting arrangements appear: (a) a setup with a main contractor engaging **Subcontractors** to carry out and complete separate parts of the works or (b) a setup under which the Employer employs a number of contractors to perform different parts of the works. Regardless of the structure selected, subcontractors typically may further assign parts of their works through engagement of other contractors, etc. (**Sub-subcontractors**). A **Designer** and/or a **Supplier** are also usually involved in a project, undertaking the planning/design of the project and the procurement of the necessary materials and equipment, respectively. As an alternative, Engineering Procurement and Construction Contracts ('EPC Contracts') are widely used in the construction industry. Finally, where a project is financed using project finance, among the project parties are the **Sponsors** (usually coinciding with the equity investors) and the **Lenders**, i.e. banks (single or syndicate) or other financial institutions providing finance mainly to the project owner/developer.

As far as the public works contracts are concerned, Art. 2 para. 2 of the Public Procurement Law refers to the following parties involved in a project: (a) the **Project Owner**, being either the State or any other public entity, on behalf of which a certain public project is realised; (b) the **Construction Entity**, being primarily responsible for the implementation of the project; (c) the **Contracting Authority**, being the division of the Construction Entity, which is responsible for supervising the construction of the project, while exercising decisive powers on the latter's behalf, particularly with regard to contract-related matters; (d) the **Supervising Authority**, being the technical department of the Construction Entity, which is responsible for the monitoring, supervision and management of the construction of the project; and (e) the **Technical Board**, as the competent body to provide opinions prior to issuance of the Contracting Authority's decisions.

## 7. What are the most popular methods of procurement?

As far as the private projects are concerned, the parties are free to select their preferred contractor, either by directly engaging a party or by launching a call for tenders, and freely negotiate the contractual terms (please refer to the concept of the freedom to contract described under Question 8 below).

Unlike in private projects, public contracts are assigned through specific procurement methods, primarily deriving from EU legislation. That said, the most frequently used procedures for the awarding of public contracts (works, supply of goods or services) are the **open procedure** (Art. 27 and 264 of Public Procurement Law) and the **restricted procedure** (Art. 28 and 265 of Public Procurement Law). Other, less common, procurement procedures are: (a) the **competitive procedure with negotiation** (Art. 29 of Public Procurement Law); (b) the **negotiated procedure without prior publication** (Art. 32 and 269 of Public Procurement Law); (c) the **competitive dialogue** (Art. 30 and 267 of Public Procurement Law); (d) the **innovation partnership** (Art. 31 and 268 of Public Procurement Law); (e) the **direct award** to a single economic entity as regards contracts of a value up to EUR 20,000 (Art. 118 and 327 of Public Procurement Law); (f) a **brief informal tendering procedure** for contracts of a value between EUR 20,001 and 60,000 (Art. 117 and 327 of the Public Procurement Law).

## 8. What are the most popular standard forms of contract? Do




## **parties commonly amend these standard forms?**

Pursuant to Art. 681-702 of GCC, a works contract is defined as a contract where the contractor undertakes to conduct a specific scope of work assigned thereto by the employer, whereas the latter undertakes to pay the stipulated remuneration. As a general rule, the parties to a commercial contract may agree any terms they wish, based on the freedom to contract (361 GCC), which is primarily enshrined in the right to develop a person's personality (Art. 5 paragraph 1 of the Constitution). Such freedom, however, is restricted by the mandatory law provisions (such as criminal or competition), as well as the general principles of civil law (such as good faith).

As opposed to private contracts, public contracts of a value exceeding the amount of EUR 2,500 are subject to the written formality requirement (Art. 130 of Law 4270/2014). Pursuant to Art. 53 and 181 para. 5 of the Public Procurement Law in combination with Art. 2 para. 2 (e) of Law 4013/2011, the Single Public Procurement Independent Authority (the '**Authority**'), upon consultation with the competent public bodies, issues mandatory contract documents for contracts falling within the scope of Directive 2014/24/EU ('**Book I Contracts**') and provisional model contract documents for contracts falling under Directive 2014/25/EU ('**Book II Contracts**'). In implementation of the above provisions, the Authority from time to time issues model tender documents, which differ depending on the scope and legal procedure observed.

## **9. Are there any restrictions or legislative regimes affecting procurement?**

Unlike in private contracts, the awarding and execution of public



contracts is subject to multiple requirements and restrictions laid down by the Public Procurement Law, which in their majority are mandatory for both the contracting authorities and the tenderers/contractors; as such, breach thereof renders the tendering procedure and, by extension, the respective public contract invalid. Most importantly, the contracting authorities are under the obligation to comply with the principles of equal treatment, transparency, non - discrimination and proportionality. Eligibility of the tenderers is likewise strictly regulated, among others, in Art. 25 of the Public Procurement Law, which provides that any parties established outside the EU, the European Economic Area (EEA) or any third country that is not a signatory to the GPA (WTO) or to any other relevant bilateral or multilateral agreement by which Greece is bound, are not eligible to pursue award of a public contract in Greece. Further to the above, multiple requirements apply in order to ensure that the performance of public contracts is compliant with any applicable environmental, social, labour law and other mandatory provisions established by EU, national or international law and that the contract is not awarded to operators falling under any grounds for mandatory and non-mandatory exclusion.

10. **Do parties typically engage consultants? What forms are used?**

Significant construction projects are typically supervised by independent engineers, directly engaged by the employer through a separate contract. Such technical consultants are assigned with the monitoring of the the compliance of the construction process with the contractual terms and technical specifications, as well as the applicable legislation. When it comes to project finance, lenders typically engage their own financial, technical and legal advisors. On the other hand, the supervision of the public works is assigned by law to the Supervising Authority (Article 136

of Public Procurement Law).

#### 11. **Is subcontracting permitted?**

As a principle, unless the parties have expressly agreed otherwise, the contractor is under the obligation to personally perform the assigned construction works and therefore has no right to further subcontract any of its works to a third party (684 GCC). That said, in practice, a typical construction or EPC Contract provides for the contractor's right to subcontract any part of the works but not the whole of the works, which would lead to substitution. Further to the above, when it comes to large-scale projects, it is quite common for a construction or EPC Contract to specify certain categories of subcontractors, the appointment or replacement of which requires prior approval by the Employer.

As far as the public contracts are concerned, subcontracting is not only permitted but also encouraged, aiming to improve access of SME's to public procurement. In this context, in its procurement documents, the contracting authority asks the tenderer to indicate any share of the contract it may intend to subcontract to third parties and to specify any proposed subcontractors (Article 58 of Public Procurement Law). The above requirement notwithstanding, the contractor may request the contracting authority to approve a subcontract during implementation of the project, provided, however, that the main contractor continues to perform at least 70% of its scope of works (Art. 165 of Public Procurement Law). In this respect, it is noted that, as a principle, any subcontractors engaged in public projects must comply with the eligibility and qualification criteria set out under the respective tender documents (Art. 131 para. 3 of Public Procurement Law).

12. **How are projects typically financed?**

Construction projects in Greece are usually financed either through equity or project finance. As regards the public works contracts, contractors finance their works with bank loans, for which they usually assign as security the payment certifications made by the supervisory authority. As regards private construction works, again contractors finance their works through bank loans, for which they usually assign as security any claims they have under the construction contract; In order to grant loans, banks may require that the borrower provide additional security (e.g. parent company or shareholders' guarantees).

13. **What kind of security is available for employers, e.g. performance bonds, advance payment bonds, parent company guarantees? How long are these typically held for?**

The employers are usually secured through: (i) performance bonds that usually represent 5% of the construction contract price; these are usually released on final acceptance of works; (ii) retentions on payments; these are usually released on provisional acceptance of works; (iii) advance payment bonds for an amount equal to the advance payment received under the construction contract; the advance payment bond is returned to the contractor following its full amortisation. Further, it is not uncommon in large-scale projects for employers to request a parent company guarantee, especially in cases where the project is performed by an SPV or a subsidiary with limited financial creditworthiness; these are usually released on final acceptance of works.

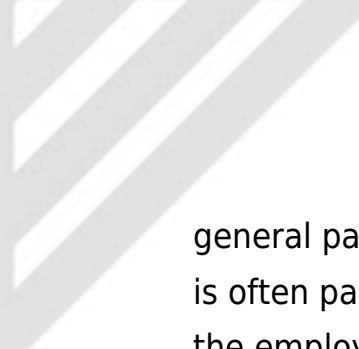
**14. Is there any specific legislation relating to payment in the industry?**

Unless otherwise stipulated between the parties to a typical construction contract, payment to the contractor of the agreed remuneration is due upon delivery of the project or upon delivery of specific parts of the works in case of partial payment (694 GCC). In this respect, if any payment due under the construction contract is not paid in full or properly credited, then the employer shall pay interest thereon starting on the date of delivery of the project or the respective parts thereof. As regards the public projects, payment of the contractor's remuneration is typically made in installments, according to the respective project schedule (Art. 152 of Public Procurement Law). The contract documents may provide for a down payment of up to 15% of the total contract price, the amortisation of which is made through retention of certain amounts from each partial payment (Art. 150 of Public Procurement Law).

Further to the above, Directive 2011/7/EU on combating late payment in commercial transactions was transposed into national law through Section G of Law 4152/2013, which applies on payments both between commercial entities and between commercial entities and the public sector.

**15. Are pay-when-paid clauses (i.e clauses permitting payment to be made by a contractor only when it has been paid by the employer) permitted? Are they commonly used?**

Pay-when-paid clauses are not prohibited under Greek law, given that the



general payment rule set out in Art. 694 of the GCC is soft law. Such term is often part of a general back-to-back contractual arrangement between the employer, the main contractor and the latter's subcontractor(s). However, such clauses should be reasonable and within the boundaries of the general principles of civil law and most importantly, the principle of good faith, otherwise risking unenforceability. Notwithstanding the above, where the contractor fails to make timely payments to its employees, the latter are entitled to demand payment of their accrued wages directly from the employer (702 GCC).

16. **Do your contracts contain retention provisions and, if so, how do they operate?**

Given the soft character of the payment rules provided for in the GCC, the parties are free to agree that a certain amount be retained from the final or each partially payable amount, as a security for the quality of the works during the contractual and/or statutory liability period. As far as the public projects are concerned, Art. 72 and 302 of the Public Procurement Law provide that, as a security for the above purposes, the contracting authority may request the submission by the contractor of either a letter of guarantee or a note of deposit with the Consignment Deposits and Loans Fund.

17. **Do contracts commonly contain liquidated delay damages provisions and are these upheld by the courts?**

The concept of liquidated delay damages is recognised under Greek Law under two separate forms, namely the penalty clause and the security

down payment. Particularly, pursuant to Art. 404-407 of the GCC, the parties may agree that in case of a breach of contract, the liable party must pay to the other party a particular amount ('penalty clause'), which shall be reasonable and not excessive (409 GCC), otherwise risking annulment by the Greek courts. As per Art. 402-403 of the GCC, the parties may agree that the down payment provided by a party upon conclusion of a contract as a security for the good performance of the contract, shall be forfeited in case such paying party finds itself in default ('security down payment').

In the field of public works contracts, Art. 148 of Public Procurement Law provides for specific penalty clauses in case of delays in the project schedule attributable to the contractor.

**18. Are the parties able to exclude or limit liability?**

The parties may only limit their contractual liability for mere negligence. Based on Art. 332 of the GCC, clauses limiting liability for intent or gross negligence are null and void. In addition, the parties are vicariously liable for the fault of their employees/agents (334 GCC).

**19. Are there any restrictions on termination? Can parties terminate for convenience? Force majeure?**

Given that there is no general provision in Greek law relating to the termination of contracts, the termination of a specific contract depends either on the parties' particular agreement (based on the freedom to contract) or on any special provision regulating this particular type of


legal relationship. Pursuant to Art. 700 of the GCC, unless otherwise agreed between the parties, the employer may terminate a works contract for convenience at any time prior to completion of the relevant project; however, the contractor is entitled to the agreed fees decreased by any benefits enjoyed by the contractor due to such termination, whereas contractor's death qualifies as ground for termination pursuant to Art. 701 of the GCC. Further to the above, under Law 3588/2007 (Insolvency Law), bankruptcy of a commercial entity does not necessarily lead to the termination of any contracts to which such entity is a party, except for certain specific cases as provided for in same law. As far as the public works contracts are concerned, the contracting authorities may unilaterally terminate a public contract, only on the grounds specifically laid down in Public Procurement Law, whereas same law provides for the automatic termination of the contract in case of the contractor's insolvency or death.

Force majeure is recognised by Greek law, thus the contracting parties may freely stipulate, under the principle of the freedom to contract and always subject to good faith, good morals and non-abusive exercise of right (178-179, 281 GCC), that the occurrence of a force-majeure event shall lead to the termination of their contract. Finally, termination of a contract can also be ordered by the courts as a resort of last recourse in case of unforeseeable and unpredictable events, rendering fulfilment by a party of its obligations extensively burdensome (388 GCC).

20. **What rights are commonly granted to third parties (e.g. funders, purchasers, renters) and, if so, how is this achieved?**

Art. 410 et seq. of the GCC recognize the concept and regulate certain





aspects of contracts entered into to the benefit of third parties. The most common third party rights are those vested in the financiers of construction projects, especially where these are financed with limited recourse financing or involve public private partnerships (PPPs). In particular, such rights are usually established by means of direct agreements whereby the contractor (i) consents to the provision of security under the construction contract to the financiers of the employer, (ii) undertakes not to terminate the contract without prior notice to same financiers and (iii) commits to complying with any step-in rights that such financiers enjoy under the project and financing agreements.

21. **Do contracts typically contain strict provisions governing notification of claims for additional time and money which act as conditions precedent to bringing claims? Does your jurisdiction recognise such notices as conditions precedent?**

Time restrictions are broadly used in commercial contracts and recognised as conditions precedent by the Greek courts; however, the validity of extensively strict terms might be challenged on grounds of unfairness, especially if invoked by a party contrary to the good faith and the fair trade practices (281 GCC). As a general rule, in order for a party to be found in default, a prior letter of formal notice by the other party is required (340 GCC), unless a due date was specifically provided for (341 GCC), but the parties are free to agree otherwise. Claims brought under public contracts are typically subject to exclusive time limits, as set out in multiple provisions of the Public Procurement Law.

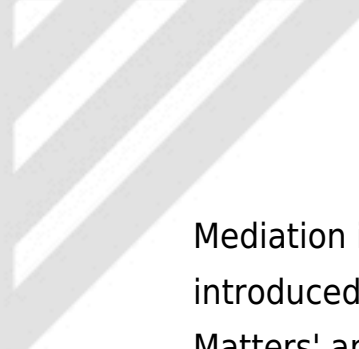
22. **What insurances are the parties required to hold? And how long for?**

The most common insurance that parties are required to hold in construction projects is the Construction All Risks (CAR) insurance. Less frequently the parties agree to take out Delay in Start Up (DSU) insurance policies that provide coverage for the anticipated revenue generated from developing and executing construction projects.

23. **How are construction and engineering disputes typically resolved in your jurisdiction (e.g. arbitration, litigation, adjudication)? What alternatives are available?**

Commercial construction and engineering disputes in Greece can be resolved through **litigation** or through **mediation** or **arbitration**. The most common dispute resolution method is litigation, which is primarily governed by the Greek Civil Procedure Code ('GCPC'). However, the GCPC also provides for the following alternative paths: (a) **judicial settlement**, which can be attempted before a lawsuit is filed (209 et seq. GCPC); (b) **out of court dispute resolution**, which the litigants may launch at any stage of the trial (214A GCPC) and (c) **judicial mediation**, which can be initiated both prior to filing of a lawsuit and after the trial has started (214B GCPC); however, the above alternatives are not quite used in practice.

Arbitration is gradually growing into the most popular alternative dispute resolution method and can be conducted either in accordance with Art. 867 et seq. of the GCPC (national arbitration) or Law 2735/1999 and the respective supranational rules in case of international arbitration.



Mediation is a relatively new alternative dispute resolution mechanism, introduced by Law 3898/2010 on 'Mediation in Civil and Commercial Matters' and recently reformed through Law 4512/2018, both laws transposing Directive 2008/52/EU into the national law.

As far as the public projects are concerned, pre-contractual disputes in tenders with a budget over 60,000 EUR are resolved through a two-stage administrative and judicial process, as follows:

(a) Pursuant to Art. 346 and 360 of the Public Procurement Law, any act or omission of the contracting authority infringing national or EU law, can be challenged through an application for review before the newly established Authority for Review of Pre-Judicial Petitions ('AEPP'), the filing of which is a condition precedent for the admissibility of any judicial recourse, while the tenderer may also seek for interim measures to be granted by the AEPP. Further, such recourse before AEPP can be filed for the annulment of an executed contract, inter alia, in case (a) no publication took place prior to the award or (b) the contracting authority proceeded with signing the contract in violation of the standstill obligation (Art. 368 of the Public Procurement Law).

(b) The rulings issued by AEPP on the aforementioned recourses, may in turn be challenged by both the tenderer and the contracting authority before the competent Administrative Court of Appeal through the filing of an application for suspension and an application for annulment (Article 372 of the Public Procurement Law).

(c) If the contracting authority's act has been annulled either by AEPP or the competent courts, the suffering tenderer may raise claims by filing an award for damages before the competent courts (Art. 373 of the Public

Procurement Law).

Disputes arising during the execution of public works contracts are similarly resolved through a formal two-stage dispute resolution process, providing for both administrative and judicial recourses (Art. 174 and 175 of the Public Procurement Law).

24. **How supportive are the local courts of arbitration (domestic and international)? How long does it typically take to enforce an award?**

Greek courts are generally respect and uphold both domestic and international arbitration clauses to the extent these are valid and apply to the dispute in question. Greece has ratified the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards and in addition, as regards international arbitration taking place in Greece, has enacted Law 2735/1999, which incorporated the UNCITRAL Model Law into Greek law.

In terms of enforcement of an arbitral award issued outside Greece, a two-stage process needs to be followed. The first stage involves the filing of an application for declaring the award enforceable in Greece. This is done through the voluntary procedure ('ekousia dikaiodosia'), which leads to the issuance of a decision by the Greek courts in roughly 2-6 months from filing. The second stage involves the enforcement of the Greek decision declaring enforceable the foreign arbitral award, which is carried out under the ordinary procedure in Greece. If the award has been issued in Greece, the process will be faster, as the aforementioned first stage will not be necessary.

25. **Are there any limitation periods for commencing disputes in your jurisdiction?**

In principle, the contractual liability limitation period is twenty (20) years (249 GCC); however, a shorter five-year limitation period is prescribed (250 GCC) for a number of commercial obligations, including the contractor's entitlement to payment under a construction contract. Further, the employer's claims brought in respect of defects are subject to a ten-year limitation period with regard to immovable constructions and a six-month limitation period with regard to movables (693 GCC). In tort, the general rule (937 GCC) is a five-year limitation period starting from the date on which the suffering party became aware of the loss, subject to shorter prescription periods provided under criminal laws (if any) and in any case no longer that twenty (20) years running from the date on which the offence took place. It is further noted that any contractual limitation or extension of the statutory limitation periods is not valid (275 GCC).

The pre-contractual dispute resolution mechanism laid down by Public Procurement Law (please refer to Question 23 above) sets multiple exclusive time-limits for the lodging of all administrative and judicial recourses; failure of the interested parties to observe the prescribed deadlines leads to inadmissibility of the relevant recourses. As regards any of the contractor's rights stemming from the execution of the contract, Art. 173 of Public Procurement Law introduces a general four-month limitation period. Further, administrative complaints challenging the contracting authority's acts or omissions must be filed within an exclusive period of two (2) months from the date of notification of the disputed act or of the omission, as the case may be (Art. 174 of Public

Procurement Law).

26. **How common are multi-party disputes? How is liability apportioned between multiple defendants? Does your jurisdiction recognise net contribution clauses (which limit the liability of a defaulting party to a “fair and reasonable” proportion of the innocent party’s losses), and are these commonly used?**

In commercial affairs in general and, particularly, in complicated construction projects, disputes in which multiple parties are engaged are common practice. In this respect, multi-party dispute resolution mechanisms are provided for in litigation (GCPC 74 et seq.), as well as in arbitration (867 et seq. GCPC) and mediation (Art. 171 para. 2 of Law 4512/2018).

Under Greek law, the parties to any commercial contract bear joint and several liability, only if such liability has been contractually stipulated or imposed by a mandatory law provision. Pursuant to Art. 480 of the GCC, unless provided otherwise, the parties are deemed to be severally liable in equal shares. Since such clause is soft law, the parties to a commercial contract are free to internally allocate their liability towards third parties as they deem proper. Significantly, in case of joint and several liability between multiple defendants, the party that fully compensated the claimant, may seek to recover a share of those damages from the other liable parties based on their internal allocation; in absence of such specific agreement, all defendants shall equally contribute to the paying party's loss (487 GCC). However, by way of derogation from the above, according to Art. 926 of the GCC, if two or more parties committed a

tortious act, such parties are mandatorily held jointly and severally liable, whereas the court allocates the liability between the multiple offenders, according to each offender's share of fault; where such allocation of fault is not possible, the liability is considered equally shared (927 GCC). In this context, when it comes to contractual liability, net contribution clauses, though not widely used in practice, are recognised in the Greek jurisdiction.

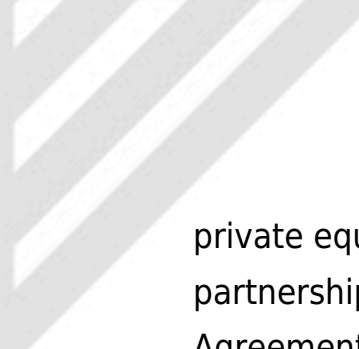
As regards the limitation of a defaulting party's liability, please refer to Question 18 above.

**27. What are the biggest challenges and opportunities facing the construction sector in your jurisdiction?**

In the turmoil of the fiscal crisis by which Greece was severely hit over the past decade, the construction sector was no exception, suffering insolvency, lack of funds and liquidity, as well as an unprecedented fall in the prices of real property due to lack of demand. These adverse conditions, topped by austerity policies implemented by the last Greek governments resulted in stagnation and low investment.

Nevertheless, Greece restructured and recapitalised its banks in December 2015, attracting significant private participation, and has ever since completed landmark privatisations and projects, including a concession for 14 Regional Airports and a share sale of the Piraeus Port authority to Cosco.

Investors have now a wide selection of alternatives for their financing needs to implement their projects, including various options offered by national and international financial institutions, venture capital and



private equity financing, as well as valuable tools, such as public private partnerships and EU financing (most importantly the Partnership Agreement for the Development Framework 2014-2020).

The upward trends in the infrastructure and the constructions sector, the upcoming abolishment of capital controls in place since 2015, the strengthening of the country's export capacity, as well as a general improvement of the business climate are expected to fuel growth over the next years, creating world-class commercial opportunities and bringing Greece to the pathway of booming investment.

28. **What types of project are currently attracting the most investment in your jurisdiction (e.g. infrastructure, power, commercial property, offshore)?**

There is increasing interest in infrastructure related projects, such as motorways (the Egnatia Odos S.A. and the North Road Axis of Crete (NRAC) concessions/PPP projects), as well as energy related construction works which are attracting the most investment, given that Greece is gradually becoming an energy transport centre (Trans-Adriatic Pipeline, Interconnector Greece - Bulgaria, Alexandroupolis LNG project, expansion of national gas network etc.). Tourist properties are also attracting local and foreign investment given that the number of tourists visiting Greece has soared to new all-time high over the past few years. Finally, there are large-scale development projects currently underway, attracting world-class players (e.g. the Hellinikon project, development of tourist marinas).



29. **How do you envisage technology affecting the construction and engineering industry in your jurisdiction over the next five years?**

Construction and engineering projects are getting a significant boost through the growing implementation of digital twin technology methods, which enable the constellation of applications, software, and hardware, thus helping off-site team members to interact with real-time representations of on-site features and environments. Artificial intelligence and machine learning in construction, although still in early stages, have the potential to optimize schedules, automatically sequence tasks, and catch divergences from blueprints in near real-time, faster than humans, making it simple and fast to optimize plans and corrections. These cutting edge technologies are expected to substantially impact the industry to such a degree that no organization can afford to ignore their growth.