

# COLLIER INTERNATIONAL BUSINESS INSOLVENCY GUIDE

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## VOLUME 2—*Insolvency Laws of Selected Nations*

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MATTHEW  BENDER

# CHAPTER 23A

## Greece\*

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¶ 23A.01 **Introduction: The Reform of the Statutory Framework Governing Insolvency Proceedings in Greece**

Greek insolvency law remained substantially unaltered for the best part of the preceding decades, surviving in its majority in the chapter on bankruptcy of the Napoleonic Code de Commerce of the year 1807. Few amendments were effected throughout the years, mainly purporting to implement, in a rather partial manner that lacked a holistic outlook, modern trends of insolvency law. An effort was made to reconcile the gap between the undoubtedly anachronistic legislation and the shifting socio economic conditions surrounding insolvency and reorganizations proceedings through case law. Although on instances this proved borderline sufficient in creating a link between the letter of the law and a pragmatic approach to financial hardship, the reality remained that Greek insolvency law had to be revisited at great length. The required reform was not limited to a mere update of current insolvency law provisions but had to expand to the entire legislative framework that governed financial hardship and default and introduce new institutions for corporate debtors, incorporate consumer bankruptcy into the Greek legal order and finally provide concise rules on extra-European cross-border insolvencies.<sup>1</sup>

Slow at the start, the reform effort was entangled between long deliberations, which came hand in hand with the task of modernizing the anachronistic provisions of Greek insolvency law, while at the same time trying to maintain Greek legal heritage on the field, and the various converse interests involved in insolvency proceedings. In 2007,

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¶ 23A.01

<sup>1</sup> In hindsight, the timing of the 2007 reform could not have been better. The economic fury that brought the Greek economy to its knees precipitated the need for a modern insolvency framework. The law has actually been revisited again and again following its adoption (2007) in a constant search for the holy grail of insolvency laws, *see Y. Sakkas & Y. Bazinas*, Streamlining proceedings in the Greek Insolvency Code, Eurofenix, Spring 2017, p. 32, *see also Psychomanis S.*, DEE, 11/2016, p. 13.