



Brussels, 24.11.2021  
SWD(2021) 364 final

**COMMISSION STAFF WORKING DOCUMENT**

**Enhanced Surveillance Report - Greece, November 2021**

*Accompanying the document*

**COMMUNICATION FROM THE COMMISSION**

**Enhanced Surveillance Update - Greece, November 2021**

{COM(2021) 916 final}

**Progress with the implementation of due specific commitments and relevant continuous commitments (\*) given to the Eurogroup ([Annex to the Eurogroup statement](#), 22 June 2018)**

Commitment	State of play and next steps
<p><b>(*) Fiscal.</b></p> <p>Achieve a primary surplus of 3.5% of GDP over the medium-term.</p>	<p><b>On 15 October 2021, Greece submitted the Draft Budgetary Plan for 2022, which expects the primary deficit monitored under enhanced surveillance to decrease from 7.6% of GDP in 2021 to 1% of GDP in 2022.</b> The General Escape Clause remains active in 2022. The General Escape Clause allows for a temporary departure from the budgetary requirements, including Greece’s fiscal targets monitored under enhanced surveillance, provided that this does not endanger fiscal sustainability in the medium term.</p>
<p><b>Public financial management.</b></p> <p>Complete the chart of accounts for the central administration by implementing the fund and functional classifications in the 2022 State budget. It is noted that the implementation of the fund classification is subject to a provision of technical assistance.</p> <p>Extend the Chart of Accounts reform to General Government entities by mid-2022.</p>	<p><b>The mid-2021 specific commitment to implement the first level of functional classification has been completed and the development of its second level (a mid-2022 specific commitment) is on track.</b> The first level of functional classification for both ordinary and public investment budget was finalised in October 2021 and will be presented in November 2021 in the context of 2022 budget along with a simplified version of the economic classification of the public investment budget. The authorities are progressing with the development of the second level with the assistance of a working group consisted of representatives from Hellenic Statistical Authority, Ministry of Finance and Ministry of Development and Investment. The second level of functional classification is expected to be completed in time by April 2022 and presented in the annual update of the Medium Term Fiscal Strategy.</p>
<p><b>(*) Arrears.</b></p> <p>The authorities will implement the arrears clearance plan and avoid the accumulation of new arrears.</p>	<p><b>The gap to the target to materially clear the non-pension arrears, which was due in June 2021, has marginally narrowed.</b> The stock of net non-pension arrears reached €555 million in September 2021, €251 million above the targets set in the March 2021 clearance plan. This is slightly lower than the July 2021 outcome reported in the 11<sup>th</sup> report (a</p>

Commitment	State of play and next steps
<p>Complete the implementation of reforms identified by the Hellenic Court of Auditors.</p>	<p>stock of €564 million). Deviation from the targets are observed across subsectors except for arrears on the payments of tax refunds. The most problematic sectors remain the extra-budgetary funds, local governments and hospitals. The divergence results from a number of factors, most notably delays in implementing the actions agreed in the March 2021 clearance plan, accumulation of new arrears and a smaller-than-expected impact of other initiatives.</p> <p><b>The authorities have taken actions to remedy the situation with a view to materially clear the non-pension arrears by the end of 2021.</b> These actions aim to further improve the liquidity of some entities and are expected to help the clearance of their arrears in the coming period. A capital increase took place in the public entities in the defence sector in October 2021 under the precondition that they will clear their arrears by the end of the year while the public transport companies will receive during November 2021 the amounts owed to them in relation to the conduct of public sector obligations. In addition, the regular instalments of hospitals' grants were brought forward and an additional grant of €115 million was paid to hospitals in October 2021. Regarding local governments, the mechanism for the prevention of arrears accumulation entered into force in October 2021 and the first results are expected to materialise in the December 2021 arrears data. The mechanism envisages that local governments submit a list of their remaining arrears accompanied by a justification for their non-payment and transfer the amounts to a special account at the Consignment Deposits and Loan Fund earmarked for arrears payment.</p> <p><b>The clearance of pension arrears also continues to underperform.</b> According to September 2021 data, the stock of net pension arrears remained stable at €360 million compared to €359 million in July 2021</p>

Commitment	State of play and next steps
	<p>presented in the last report. This translates to a deviation from the target of €251 million. The main drivers behind the underperformance are the delays in the implementation of actions which would increase the pace of pension awards, as well as a higher number of new pension application compared to what was expected in the March 2021 clearance plan.</p> <p><b>The authorities currently expect pension arrears to be fully cleared only by mid-2022.</b> Following the delays in meeting the targets, the authorities appointed a Project Manager from the private sector who, in cooperation with the dedicated Task Force already established at the ministry, is mandated to coordinate the efforts to fully clear the stock of unprocessed pension applications. The main new initiative taken by the authorities is the creation of a centralised facility in September 2021, with cross-functional teams focused on resolving complex cases and aiming at process optimization and creation of a vertical pension award structure, which will be able to deal with all problematic cases of the previously scattered branches of the Single Social Security Fund (e-EFKA), including the Agricultural Insurance Organization, Self-employed Social Security Fund, and the main Social Insurance Institution for the private sector (IKA). Concerning earlier actions, delays occurred in the training of certified lawyers and accountants, envisaged to support the processing of pensions. They should become fully operational in November 2021. Other initiatives to the acceleration of pension awards include legislative simplification of procedures and the implementation of smart Business Intelligence tools and analytics and the new automation in pension processing.</p> <p><b>A monthly monitoring mechanism will be set up to support the achievement of the agreed targets.</b> The objective of this detailed monitoring is to obtain a better overview of the progress made on the</p>

Commitment	State of play and next steps
	<p>implementation of agreed actions, detect early any deviation and understand the reasons for the accumulation of new arrears. This mechanism will involve a monthly exchange on the basis of a policy action table concerning both pension and non-pension arrears.</p> <p><b>Implementation of the recommendations of the Hellenic Court of Auditors and the simplification of fiscal procedures continued as planned.</b> The vast majority of reforms identified by the Hellenic Court of Auditors have already been completed. Additional recommendations were finalised by October 2021, notably the ones related to the update of Ministry of Development's IT system (e-PDE). Finally, the simplification of procedures related to the payment of grants to legal entities was adopted as planned. The law amendments of the regulatory framework for the conflict of interest of accounting officers and the payment of certain types of costs through simplified procedures were submitted to the parliament and are scheduled to be voted until the end of November. These initiatives are expected to further help the prevention of new arrears.</p>
<p><b>Tax administration.</b></p> <p>Make the end-to-end IT collection systems fully operational.</p>	<p><b>The testing phase of the end-to-end IT collection system has been successfully completed, but its full operationalisation is now expected to be achieved only by April 2022.</b> The Independent Authority for Public Revenue is in parallel training its staff and the IT platform arrangements with the Ministry of Digital Governance will be in place by January 2022, in order for the new collection system and its web portal to be fully operational by April 2022.</p>
<p><b>Tax policy.</b></p> <p>Greece will undertake a nationwide valuation exercise of property tax value based on market values and will update property tax values</p>	<p><b>The authorities have committed to make a reform the ENFIA property tax based upon the new wider property tax base with payments starting in March 2022.</b> The new property tax zonal values for all property taxes will enter into force on 1 January 2022. The</p>

Commitment	State of play and next steps
for ENFIA and other taxes fully in line with market values.	Authorities are still working on the finalisation of a revenue-neutral ENFIA property tax reform. They have provided a timetable to bring forward the 2022 property tax assessment with first instalments made in March 2022.
<p><b>(*) Health care.</b></p> <p>The authorities will complete the full offsetting and collection of the clawback by June every year for the previous calendar year.</p>	<p><b>Despite long delays in the past, clawback collection has resumed and currently progresses almost regularly for clawbacks accumulated in 2021, with larger difficulties for the ones accumulated in the past.</b> In particular:</p> <ul style="list-style-type: none"> <li>• As regards 2021, the newly introduced methodology to collect clawbacks for services providers on a rolling basis is bearing fruit and approximately 20%, i.e. 60 million of the clawback of 2021 has already been collected after three months from the start of its implementation.</li> <li>• Collection of clawback from 2020 is behind schedule for pharmaceuticals and has not started for health services providers, due to a combination of technical constraints and new administrative procedures. For pharmaceuticals, the new measure allowing for clawback discounts against companies' investments in research and development of pharmaceuticals has delayed the finalisation of the instalment plans (at present, as a result, approximately €230 million, i.e. one third, are not yet collected or covered by instalment plans); for other providers, an increase in the ceilings for certain categories called for a recalculation of the amounts due, so instalment plans are not yet in place for the full amount of 2020, which is €280 million. Based on the information provided by the authorities, the Ministerial Decision for the amended 2020 ceilings for providers, needed to enable the</li> </ul>

Commitment	State of play and next steps
	<p>collection, will be issued shortly.</p> <p><b>The level of the clawbacks remains high, at approximately €700 million and €300 million for pharmaceuticals and services providers, respectively.</b> A minor decrease in the clawback for pharmaceuticals has been achieved, mostly due to the recent exclusion of vaccines from the budget under expenditure ceiling. This underlines the need for a more consistent implementation of existing structural measures in place and for additional supporting measures. A stronger negotiation and health technology assessment (HTA) capacity, together with more numerous and compulsory protocols would support a faster reduction.</p>
<p><b>Health care.</b></p> <p>Greece will ensure the rollout of the primary health care system, in particular by opening all 240 primary health care units.</p>	<p><b>The reform of the primary health care is currently still on hold, with little progress over the past months partly on account of the pandemic.</b> The planned revision of the legislative framework for the primary health care system, announced already in 2019, has seen further delays. Apart from the severe challenges posed by the pandemic and the additional time that has become necessary in light of the recent government reshuffling, the reform has seen delays due to a lack of an adequate stock of family doctors. The additional staff that have recently been recruited will allow for the opening of about 60 new primary health care units, i.e. slightly less than a half of the total number of outstanding planned primary health care units. The authorities announced the intention to step up the efforts to increase the workforce that could better support the transition towards a stronger primary health care and committed to presenting a draft law by December 2021 with a view to adopting it by January or February 2022. Within the same date, in time for the publication of the 13<sup>th</sup> enhanced surveillance report, the authorities committed to issuing the secondary legislation needed to deliver on the key principles of gatekeeping and patient registration.</p>

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<p><b>Health care.</b></p> <p>Achieve a 40% share of centralised procurement in total hospital expenditure by mid-2022.</p>	<p><b>The new legislative framework is close to adoption and procurement activities are progressing towards the mid-2022 milestone of 40%.</b> According to the information provided by the authorities, the legislative framework for the centralised health procurement body (EKAPY) is expected to be adopted shortly, with submission to parliament planned by 22 November and the vote expected within the first ten days of December, following the conclusion of the public consultation in early November. In parallel, procurement activities are progressing, after having reached the 30% procurement target in the past months. By the end of 2021, the authorities plan to launch additional tenders worth of approximately €280 million, which will contribute to reaching the next target of 40% in mid-2022.</p>
<p><b>Social welfare.</b></p> <p>Apply to all disability benefits the new approach for disability determination based on both medical and functional assessment.</p>	<p><b>Adoption of secondary legislation for a trial Personal Assistance scheme that will apply the new approach for disability determination is expected for early 2022 allowing for the implementation of the trial scheme in March 2022.</b> Following the adoption of primary legislation on 1 October 2021 that introduced a Personal Assistance scheme for persons with disabilities with an initial trial implementation period (law 4837/2021 published in Government Gazette No 178/A), the authorities are currently working on the secondary legislation that is expected to be completed by early 2022. This legislative framework will allow using a new approach for disability determination based on both medical and functional assessment to assess benefit eligibility for the purpose of the trial Personal Assistance scheme. The new functional assessment scheme will be used directly for in-kind benefit decisions from March 2022 when the trial scheme will start.</p>
<p><b>Social welfare.</b></p>	<p><b>The opening of remaining directorates of e-EFKA over the territory is progressing well, however the IT infrastructure is not mature yet.</b></p>



Commitment	State of play and next steps
<p>Complete the set-up of the single pension fund EFKA.</p>	<p>The authorities reported that the target for the current review is almost met, with nearly 90 directories opened since end-October 2021. Based on these reports, openings appear to be even ahead of schedule and are planned for completion around mid-December 2021. The interconnection of databases and IT systems of previous funds is not yet complete, but these outstanding issues are currently being tackled.</p>
<p><b>(*) Financial stability.</b></p> <p>Greece will continue to implement reforms aimed at restoring the health of the banking system, including non-performing loans resolution efforts by ensuring the continued effectiveness of the relevant legal framework (i.e. household and corporate insolvency, out-of-court workout, non-performing loans sales, e-auctions) and taking all necessary actions to this effect.</p> <p>Greece will implement the comprehensive action plan on household insolvency with the objective to eliminate the backlog of cases, including the process of pending applications.</p> <p>The decision on liquidation or extension of the mandate for the Hellenic Financial Stability Fund will be taken by mid-2022. Greece will continue the relaxation of capital controls in line with the published roadmap.</p>	<p><b>The functioning of the insolvency framework is now supported by the relevant electronic infrastructure, with the sole exception of the early warning electronic platform, currently in testing mode.</b> All the necessary secondary legislation has been adopted (with two of the joint ministerial decisions on the early-warning procedure pending publication in the Official Journal), with the exception of five ministerial decisions that concern the sale and lease-back mechanism. Regarding the relevant IT infrastructure, the electronic platforms are now interconnected with the IT systems of the banks, complementing the platforms for the debt restructuring of medium and large businesses, the bankruptcy of households and businesses, the out-of-court workout, the insolvency registry and the verification of the status of vulnerable debtors. As for the early warning platform, which will enable the fully automated handling of applications by creditors and the operationalisation of the early warning IT mechanism, it is currently in testing mode and is expected to be fully operational as of 1 December 2021. While the out-of-court workout scheme has attracted a strong interest, with 35 753 applications initiated as of the beginning of October 2021, only 512 applications or 1.5% of those initiated had been finalised and submitted by that date. The majority of the applications submitted concerned at least one denounced loan towards a credit institution, although approximately 9% of the applications was linked with loans with less than 30 days past due. On the whole, the first indications from the functioning of the out of court</p>

Commitment	State of play and next steps
	<p>workout mechanism appear positive in terms of uptake, while the risk of abuse seems to be contained for the time being.</p> <p><b>The concessionary process for the setup of the sale and lease-back entity has been further delayed, although this does not seem to have affected the implementation of the insolvency framework.</b> According to the latest update from the authorities, the final step following a three-stage concessionary process, i.e. the ratification of the conclusion of the selection procedure by the parliament, is now not expected to be taken earlier than mid-December 2022, i.e. with a 9-month delay in comparison to the previously agreed date (end-March 2022). The call for the expression of interest is expected to be launched by 15 December 2021 and is due to be completed, with the preselection of eligible candidates, by mid-February 2022, to be followed by the conduct of the competitive dialogue and the bidding phase. According to the relevant provision of the Insolvency Code, the procedures for the protection of vulnerable debtors under the sale and lease-back mechanism will commence upon operationalisation of the entity.</p> <p><b>The clearance of the backlog of household insolvency cases, a specific commitment, is progressing but at a slow pace. The authorities are preparing to take relevant steps to support the process, with a view to clearing the backlog largely within 2022, which remains challenging.</b> The latest data received by the authorities confirm that the processing of household insolvency cases is advancing, effectively filtering out ineligible applications, albeit at a slower pace than initially expected. Up to 30 October 2021, 49 031 applications were submitted, of which 39 739 were subsequently validated and 9 552, or 19.5% of the total, were assigned a new hearing date. Of these, approximately 60% have been appointed within the third and fourth quarters of 2021, while the</p>

Commitment	State of play and next steps
	<p>remaining ones have been appointed predominantly in the first half of 2022, with the rest extending as far as the second quarter of 2024. The high number of pending applications that have yet to receive a hearing date is partly attributable to pandemic-related reasons but mainly a result of the limited case-processing capacity of courts, and delays the processing of the backlog. In total, as of 30 September 2020, there are 61 798 cases pending, including cases that were heard but pending a final decision. To address chronic infrastructure and/or staffing insufficiencies, the authorities reported being in the process of developing an action plan for the secondment of judges to speed up the processing by the courts facing difficulties, which will be submitted for approval by the relevant judicial authorities and should start being implemented as from January 2022, allowing for the clearance of the backlog largely within 2022. Moreover, in order to facilitate the monitoring of new hearing dates scheduling, the authorities adopted a ministerial decision <sup>(1)</sup> making compulsory the uploading of hearing date information onto the relevant electronic platform. The authorities committed to provide monthly updates on the progress with the clearance of the backlog.</p> <p><b>The recent adoption of an extensive revision of the Code of Civil Procedure is expected to accelerate the delivery of Justice and increase the efficiency of enforcement proceedings, including the conduct of e-auctions.</b> The amendments to the Code, introducing the</p>

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<sup>(1)</sup> Article 7 of Joint Ministerial Decision of the Ministers of Finance, Justice and State (OJ B 4455/29.09.2021).

Commitment	State of play and next steps
	<p>features described in the previous enhanced surveillance report, were adopted on 11 October 2021 <sup>(2)</sup> and will enter into force on 1 January 2022.</p> <p><b>The conduct of auctions has resumed and is picking up.</b> According to the data provided by the authorities, nearly 40% of the 5 561 e-auctions planned for the second quarter of 2021 were concluded, while the rest were suspended. A very small number of auctions was cancelled. In the third quarter of 2021 (which includes the August recess), of 3 414 out of 4 600 planned e-auctions were concluded, 1 163 were suspended and 23 were cancelled. However, even in the case of successful e-auctions, the majority of the auctioned properties still end up in the banks' and servicers' real estate property portfolios, despite some signs of increased interest from third parties.</p> <p><b>Work is ongoing regarding the introduction of enhancements to the e-auctions platform.</b> The two working groups referred to in the previous enhanced surveillance report are expected to hand in their proposals to the Ministry of Justice by January 2022, for the identification of potentially needed legal amendments to be adopted and implemented. Their report will also include a list of the enhanced features that are already available but currently not operational due to the lack of online availability of information (mainly regarding energy certification of properties and building code violations) along with a timeline for their activation as soon as possible. The authorities also reported on the development of an electronic platform allowing notaries to obtain online information from the engineers' professional associations, regarding building violations and</p>

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<sup>(2)</sup> Articles 1-82 and 119-120 of Law 4842/2021 (OJ A 190/13.10.2021)

Commitment	State of play and next steps
	<p>other technical data of interest to prospective purchaser, as well as from municipalities and land registries and/or cadastral offices. The platform is currently running on a pilot basis and is expected to be operational by end-November 2021. The authorities also reported on developing an electronic platform aggregating and providing information to judicial bailiffs, in order for them to determine the price of seized properties, and to notaries involved in enforcement procedures. Additional information on the timeline of this initiative will be provided in the next enhanced surveillance report.</p> <p><b>Despite an acceleration of payments with regards to the backlog of called state guarantees in the third quarter of 2021, the pace of clearance still falls short of expectations.</b> Although the number of claims examined and the value of payments has increased compared to previous quarters, it is considerably behind the targets set for the timely clearance of the backlog. This underperformance is partly explained by the gradual learning process of new personnel, the necessary replacement of seven employees and a temporarily low average value of claims examined with respect to corporate loans. In order to meet the high targets set under the current clearance plan and increase the processing rate, the authorities have decided to i) increase the number of new permanent personnel to be hired in late December 2021 to thirty five from thirty employees and ii) to put in place, in cooperation with one systemic bank, the electronic exchange of all necessary information on old, pre-2015 cases, not included in the e-repository, for which there is a pending lawsuit by that bank. Nonetheless, despite these initiatives, the target for 2021 as a whole had to be revised once again downwards. The authorities have committed to provide monthly updates on the pace of clearance and, based on the performance in the remainder of the year, will assess if further corrective actions would be required to ensure that the targets for</p>

Commitment	State of play and next steps
	<p>2022 and 2023 are met in full.</p> <p><b>Discussions are progressing on the future of the Hellenic Financial Stability Fund</b>, for which the Greek authorities now expect the legal amendment to be adopted later in the year. The reform of the Fund's legal framework is expected to focus on the duration, governance, divestment strategy and special rights of the Fund. Adoption of the legal amendment is now expected to take place by the end of the year.</p> <p><b>The recently adopted amendment of article 27 of law 4172/2013 will further facilitate sales and securitisations of non-performing loans by smoothing the amortisation of the related deferred tax assets.</b></p>
<p><b>(*) Labour market.</b></p> <p>Greece will safeguard competitiveness through an annual update of the minimum wage in line with the provisions of Law 4172/2013.</p>	<p><b>Secondary legislation setting out the new statutory minimum wage level to apply from 1 January 2022 is expected for December 2021 in line with the respective legislation.</b> The process for a possible update of the statutory minimum wage started in March 2021, following a one-year freeze due to the pandemic, and involved consultations with research, scientific and social partners, and independent experts. The outcome of the consultation led the Minister of Labour and Social Affairs to recommend to the Cabinet of Ministers a 2% increase in the statutory minimum wage (from €650 to €663 per month for workers of up to three years of work experience) to apply from 1 January 2022. Following the endorsement of the latter body at end-July 2021, the respective Decision by the Minister of Labour and Social Affairs is expected for December 2021.</p>
<p><b>Investment licensing.</b></p> <p>Greece will finalise inspection legislation.</p>	<p><b>Whilst the authorities made welcome steps on the commitment to finalise inspection legislation, specifically in the last remaining area of environmental protection, one element remains pending.</b> Specifically, they adopted primary legislation to amend sanctions and enforcement</p>

Commitment	State of play and next steps
	<p>powers of inspecting authorities in the said area, in effort to make the environmental inspections framework more transparent, friendly to businesses and conducive to self-compliance. However, secondary legislation to detail the enforcement management model that is necessary to facilitate a harmonised approach in the application of the enforcement system is still under elaboration. This would step would complete the environmental inspections reform.</p>
<p><b>Investment licensing.</b></p> <p>Greece will finalise the simplification of investment licensing procedures in the agreed remaining sectors.</p>	<p><b>Substantial progress is recorded on the simplification of legislation in the agreed sectors, with the majority of the remaining elements now in place.</b> Namely, all secondary legislation foreseen to operationalise the set of simplified licensing legislation adopted in April and June 2021, respectively, has been adopted. In the case of the economic activities in the tourism sector, the completion of technological enhancements in relevant IT tools has been set as a precondition for the simplified processes to come into force. Completing this work would help remove hurdles in a sector that is vitally important for Greece. In parallel, the authorities recently adopted further legislation to reform the economic activities relating to education that were not been included in the scope of the previous simplification rounds. These concern private institutes for vocational training, colleges, private tutoring centres, and language centres. Nonetheless, some delay is observed in the adoption of enabling secondary legislation for the simplification of licensing procedures for the said activities, which is now expected by January 2022.</p>
<p><b>Cadastré.</b></p> <p>Greece will fully establish the cadastral agency and complete 45% of cadastral mapping, with a view to ratifying the complete cadastral mapping and forest maps.</p>	<p><b>The cadastral mapping continues to progress steadily.</b> The collection of property rights has reached 83% of the total property rights of the country. Out of these, 52% are at the stage of public consultation or at a later stage out of which 34% are in operating cadastre. Regarding the transition to the new entity, 43 cadastral offices out of 95 have opened</p>

Commitment	State of play and next steps
	<p>and the corresponding mortgage offices have been closed. The rate of new openings will increase when the on-going recruitment of the 77-strong transition team will be done by the end of the year. The tender documentation for the digitalization of the mortgage offices was approved by the governing board of 6 October 2021 and is ready to launch. The road map that was agreed in July 2018 has been practically completed. The authorities have agreed to produce a quarterly report on the completion rate of the cadastral mapping and the transition to the new entity, divided by region.</p> <p><b>The ratification of the forest maps has encountered further substantial delay.</b> The forest maps that were produced by the Hellenic Cadastre need to be ratified in order for the cadastre to be complete. About 50% of the country has ratified maps; another 45% of the maps were uploaded for public consultation (for the citizens to detect errors and raise objections) in February 2021. The maps were due to be ratified by April 2022 after an extension of the objection period. Nevertheless, the authorities decided to grant a further general extension of the period for objections by another four months (and twenty day for residents abroad) in October 2021. The authorities justified the extension by the impact of the fires of summer 2021, which destroyed 130 000 ha of forest land and are stretching the capacity of the forest services. They also noted that delay was partly due to a court case that was eventually dismissed by the Council of State and a major reorganisation of the forestry services that is currently underway. While these factors are acknowledged, they would justify a targeted exemption in specific areas affected by the fires or in particularly complex cases. The repeated horizontal extensions put the timely completion of the cadastre at risk. The authorities noted that the remaining forest maps will be ratified by mid-2022, which is subject to</p>



Commitment	State of play and next steps
	significant implementation risks.
<p><b>Energy.</b></p> <p>With a view to completing reforms in the energy sector, implement the measures agreed as part of the joint assessment on the NOME auction system.</p>	<p><b>The Hellenic Republic has transposed the antitrust remedy into Greek law.</b> The measures adopted by the authorities allow the competitors of the Public Power Corporation (PPC), the Greek state-owned electricity incumbent, to purchase more electricity on a longer-term basis, which closes this long standing anti-trust case. This completes the reform of the energy sector, which was a specific commitment <sup>(3)</sup>.</p>
<p><b>(* Hellenic Corporation of Assets and Participations (HCAP).</b></p> <p>The Strategic Plan of HCAP will be implemented on a continuous basis.</p>	<p><b>The Corporation finalised the work on the update of its strategic plan.</b> The Strategic Plan entails the strategic goals and the strategic levers of the Corporation. The Plan sets out a structured emphasis on the Corporation’s role as an active shareholder, in response to the Ministerial Guidance provided to the Corporation by the authorities in early 2021. As the Corporation continues its evolution and moves into the implementation of the new Plan, it remains critical for all parties to uphold the independence of the Corporation in line with its founding Law as this will contribute to the achievement of its mandate and the continued positive performance in terms of value creation of the assets of the Greek state. The Plan entails the Corporation acting as an investor in the Greek economy and as a reformer of the state-owned enterprises under it and broadly its transformation to a Public Wealth Fund, and sets out various overall Key Performance Indicators by which to track the Corporation’s performance. These Key Performance Indicators include overall portfolio performance indicators, which is an important step forward in developing</p>

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<sup>(3)</sup> As reported in the fourth enhanced surveillance report (November 2019), following the cancellation of the NOME (*Nouvelle Organisation de Marché de l’Electricité*), which was a specific commitment for end-2019, the Greek authorities committed to put in place additional structural measures in the context of an alternative remedy for the anti-trust case, which have herewith been completed.

Commitment	State of play and next steps
	<p>financial accountability for the Corporation, as well as key social and sustainability indicators. The Plan also includes a set of changes that are needed to modernise the legal framework applicable to state-owned enterprises, which in turn are essential for the success of the Strategic Plan. A further feature is that the Plan includes benchmarks for state-owned enterprises performance, by comparing the Corporation's state-owned enterprises with similar companies elsewhere in Europe, which should assist in objectively evaluating the progress of state-owned enterprises in delivering operational and financial outcomes. The Plan was approved by the Board of Directors of the Corporation and it is expected to be subsequently approved by its General Assembly by end-November 2021.</p> <p><b>The Steering Committee set up under the Coordination Mechanism concluded its work on the preparation of a performance contract for the Athens Urban Transport Organisation (OASA).</b> Following an agreement on the methodology to estimate the amount of compensation for the delivery of special obligations (that is, providing free or discounted transfer for specific groups), the Athens Urban Transport Organisation finalised the drafting of the performance contract, which was discussed and approved by the Steering Committee at the beginning of November 2021. The pending actions for its execution are expected to be completed by end-November. The performance contract is a further important step forward in clarifying the financial compensation of the State for costs that accrue to Athens Urban Transport Organisation for the delivery of public policy, and toward the Organisation's operational improvement, independence and financial sustainability. Moreover, the authorities consider that the performance contract for the Athens Urban Transport Organisation could become the pilot for other performance contracts in the public sector. As a general reform effort, performance</p>

Commitment	State of play and next steps
	<p>contracts are intended to clarify the financial relationship between state-owned enterprises and the state, and link financial transfers by the state to the performance of specific policy goals. This should help the public understand whether state-owned enterprises are appropriately compensated and whether the state receives good value for money.</p> <p><b>The Corporation has, within the framework of the preparation of its Strategic Plan and as noted above, identified further changes that are needed to address legal and other impediments to the modernization and commercial operation of the state-owned enterprises in its portfolio.</b> These changes include increasing the responsibility and accountability of state-owned enterprises' boards and management for key corporate decisions and corporate performance, as well as a range of other changes related to human resources, governance, synergies and internal audit. These changes are all considered essential for state-owned enterprises to transition to high-performing companies delivering quality products and services, and financial performance. Addressing them is a key priority for the success of the Corporation in its endeavour towards ensuring that state-owned enterprises under the Corporation become operationally and financially independent, doing business in a customer-centric way and in line with private sector principles. The Corporation has presented a set of necessary changes in the Strategic Plan, and the authorities intend to prepare draft legislation in the coming months, including as noted below.</p> <p><b>The authorities continued with the work on the modernisation of the institutional framework for state-owned enterprises.</b> Following the mapping of the state-owned enterprises and other public entities into 6 main categories based on a number of criteria, including the share of the state's participation, fiscal consideration and board appointment</p>

Commitment	State of play and next steps
	<p>procedures, the authorities are working on recommendations for each category of enterprises with a view to enhancing the state-owned enterprises' efficiency and performance, and rationalising the State's participation. The authorities expect a first draft of legislation to codify, improve and modernise the current legal framework applicable to state-owned enterprises to be ready for public consultation by end January 2022.</p> <p><b>The Public Real Estate Company (ETAD) will require more time to elaborate a comprehensive strategy to achieve an ambitious target yield across its portfolio.</b> While the Public Real Estate Company has taken steps in relation to specific assets to improve their performance and has seen success on those projects, there is still significant work to be done by the company to achieve systemic improvements across the portfolio as a whole, and progress towards delivering an overall yield for its portfolio that is comparable to peers. Turning this situation around, and delivering value from the real estate portfolio, is a critical responsibility of the Corporation.</p> <p><b>With regard to the transfer of the eligible real estate assets included in the 2018 package to the Public Real Estate Company, following the completion of the screening process by the General Secretariat for Tax Policy and Public Property, a more detailed review by each relevant Ministry was launched in September 2021.</b> Following this exercise, a final list of assets for transfer will be developed. The authorities clarified the timetable for the process with completion of the verification process by end-January 2022 and the eventual transfer of the eligible assets by end-March 2022.</p>

Commitment	State of play and next steps
<p><b>HCAP.</b></p> <p>Complete the transfer of the Olympic Athletic Centre (OAKA) to HCAP.</p>	<p><b>The authorities continued the work on the development of the master plan.</b> With the assistance of external consultants, the authorities are preparing feasibility, market and financial studies, which will provide input to the plan for the future use of the facility as a civic park, leveraging its core athletics heritage, and adding various mixed-uses aimed at increasing the site’s amenity to citizens and tourists and at ensuring the financial sustainability of the facility. This analytical work is expected to be completed by the end of the year. It is important that the overall strategy for the site ensures that the site can generate enough organic revenue to ensure the financial sustainability of a high quality civic facility over the long term, covering not just maintenance, but expected improvements and capital investments.</p>
<p><b>Privatisation.</b></p> <p>The Asset Development Plan will be implemented on a continuous basis.</p> <p>With a view to swiftly attracting investment to support a sustained economic recovery, complete the transactions on HELPE, Egnatia, DEPA commercial, regional ports of Alexandroupolis and Kavala, AIA shares, EYDAP and EYATH.</p> <p>Complete the transactions on the regional ports Igoumenitsa and Kerkyra, PPC, DEPA infrastructure and Kavala underground storage.</p> <p>By mid-2022, complete the transactions on a number of other regional ports, based on the recommendations of the consultants of TAIPED.</p>	<p><b>The updated Asset Development Plan, which constitutes the privatisation programme and lays down the next steps for the transactions included in it, was approved by the Board of the Hellenic Republic Asset Development Fund and endorsed by the Government Council for Economic Policy on 12 November 2021.</b> Progress with specific transactions since the last report has been as follows:</p> <p><b>Egnatia:</b> Good progress was made in the tender process for the long-term concession of Egnatia over the past months. The selection of the preferred investor was made on 26 August 2021, as reported in the 11<sup>th</sup> enhanced surveillance report, for a financial offer comprising of an upfront payment of about €1.5 billion and an annual payment amounting to 7.5% of the annual total gross revenue of the concessionaire. The authorities plan to proceed with the completion and operation of the toll stations as well as with the completion of the works and the licensing of all tunnels. Within this framework a specific timetable for the completion and operation of each one of the last toll stations (7 lateral and one frontal) as well as for</p>

Commitment	State of play and next steps
	<p>the licencing of each one of the remaining 16 tunnels has been elaborated by Egnatia SA in October. Close monitoring will continue.</p> <p><b>Regional ports of Alexandroupolis and Kavala:</b> The draft Concession Agreement for the port of Alexandroupolis is expected to be uploaded on the virtual data room for comments to the prequalified investors by end-November 2021. The draft of the Sub Concession Agreement for the port of Kavala has been released to prequalified investors for their comments on 24 September 2021, and their comments were submitted on 18 October 2021. However, there is a pending issue that needs to be resolved before proceeding to the binding offers phase for the port of Alexandroupolis, namely the conclusion of the expropriation of private properties in the upland zone area of the port; the amounts concerned for the compensation of the expropriated land are to be determined by the competent courts. The hearing before the Court took place on 22 October 2021 and the decision was issued on 10 November, while next steps in the process are to be decided by the competent Ministries.</p> <p><b>Regional port of Igoumenitsa:</b> The Concession Agreement document is expected to be finalised by the beginning of December 2021 and to be subsequently uploaded on the virtual data room to the pre-qualified investors for comments. The pending issue on the determination of the upland zone of Igoumenitsa port will be fully resolved as it will be clearly specified in the concession agreement, and thus the tender process can proceed.</p> <p><b>Regional port of Heraklion:</b> The completion of the assessment of the Investors Expressions of Interest and the short listing of the prequalified parties for the binding offers phase is expected to be completed by end-November 2021.</p>

Commitment	State of play and next steps
	<p><b>Public Gas Corporation (DEPA) Infrastructure:</b> The tender process is proceeding well. As already reported in the 11<sup>th</sup> enhanced surveillance report, the selection of the preferred investor took place on 9 September 2021 for a financial offer of €733 million. This corresponds to about €476 million for the 65% stake of the Fund in DEPA Infrastructure. The file was submitted to the Court of Audit for approval on 26 October 2021 and its approval was given on 11 November 2021.</p> <p><b>Public Gas Corporation (DEPA) Commercial:</b> The Fund decided to extend the suspension of the binding offers phase of the tender at least until end-December 2021, so as to have more clarity on the outcome of pending issues.</p> <p><b>Underground Natural Gas Storage (UGS) South Kavala:</b> Based on the envisaged timeline of the tender, submission of binding offers is expected in the first quarter of 2022. The first draft Concession Agreement is expected to be shared with prequalified investors by end-December 2021. The pending issue on clarity of the tariff setting framework, is expected to be resolved via the issue of the decision of the Regulatory Authority for Energy by end-November 2021.</p> <p><b>Gournes Heraklion:</b> On 15 October 2021 four interested parties submitted binding offers for the exploitation of part of the former American military base of Gournes in Heraklion, Crete (a beachfront land plot of 345 567 square meters located 13 km from the airport and 16 km from Heraklion). The development of Gournes is described by many as a smaller Hellinikon project. The selection of the preferred investor is expected by end-November 2021.</p> <p>As reported in the previous reports, some transactions had to be delayed</p>

Commitment	State of play and next steps
	following a significant fall in the assets' capitalisation value or the impact of the pandemic on the level of economic activity. This applies to the Hellenic Petroleum and the sale of 30% of Athens International Airport.
<p><b>Public administration.</b></p> <p>Complete the integrated HR Management System (digital organigram for all public entities and link with single payment authority).</p>	<p><b>Job descriptions have been completed for 81% of all posts, which constitutes a key element in the establishment of an integrated human resources management system.</b> The authorities are expecting to have job descriptions in place for all posts by January 2022, which would close this commitment. The appointment of the Permanent Secretary at the Ministry of Education and Religious Affairs remains pending. The authorities informed that legal provisions to facilitate the completion of this appointment would be adopted by end-November 2021. These legal provisions are expected to be consistent with the principles of the Executive State Law in terms of delegation of signature powers to civil servants.</p>
<p><b>Legal codification.</b></p> <p>In view of enhancing legal certainty and access to law through legal codification, adopt the Labour Law Code and Code of Labour Regulatory Provisions.</p>	<p><b>Work on the codification of labour legislation continues.</b> A high-level legal scientific Committee has been set up under the Ministry of Labour and Social Affairs to work on the legal codification of the Labour Law Code and Code of Labour Regulatory Provisions that is now progressing in close collaboration with the Central Codification Committee. A first codified draft is expected to be submitted to the Secretariat General for Legal and Parliamentary Affairs in the first quarter of 2022. The Central Codification Committee will proceed with the review of the codified legislation as a priority with a view to adopting it as soon as possible.</p>
<p><b>Justice.</b></p> <p>In the context of implementing the Three-Year Action Plan on Justice, implement the electronic filing of legal documents</p>	<p><b>Further progress has been made with regard to the specific commitment on electronic e-filing.</b> More specifically:</p> <p>(i) <b>Regarding the implementation of e-filing in civil courts, the authorities reported further progress on the digitisation of court</b></p>



Commitment	State of play and next steps
<p>throughout the Courts, having completed the tendering procedure.</p> <p>In the context of implementing the Three-Year Action Plan on Justice, complete phase II of the establishment of the e-justice system (OSDDY-PP).</p>	<p><b>procedures.</b> In the context of the digitization of judicial procedures, the authorities resolved to develop new electronic platforms relating to (a) the processing of small claims disputes, (b) the filing of third-party statements in the context of the enforcement proceedings, (c) the registration of consensually granted collateral in the context of loan agreements and (d) the issuance of payment orders. The authorities have drafted working documents regarding all four projects and formed corresponding working groups; upon receipt of feedbacks by the judges participating in the working groups regarding implementation questions and the need for the adoption of legislation, a maturity assessment will be made and further actions will be planned. A Joint Ministerial Decision allowing for the operationalisation of the e-divorce platform will be adopted by end-December 2021.</p> <p>(ii) <b>Regarding the implementation of mandatory e-filing in administrative courts, the tendering procedure for the extension of functionality and the pilot phase for the interconnection with the Legal Council of State database are advancing.</b> Following the completion of the procurement competition launched June 2021, the managing committee of the Council of State awarded the contract to the successful candidate on 28 September 2021 and the contract was signed on 22 October 2021, initiating a four-month period for the implementation of the contract and a subsequent two-month period for the completion of the pilot phase and the full operationalisation of the project (expected in April 2022), whereupon the e-filing of all kinds of documents and submissions will be available. Furthermore, the pilot phase of the project for the interconnection between the IT systems of the Legal Council of State and the Council of State is ongoing and is expected to be concluded on 20 December 2021, making thus the project</p>

Commitment	State of play and next steps
	<p>fully functional and operational.</p> <p><b>The preparatory stage for the launch of the call for bids for the integrated case management system for civil and criminal cases ('OSDDY-PP') has incurred additional delay, making the previous target for awarding the project in the first quarter of 2022 unattainable.</b> The draft call for proposals was submitted to public consultation on 1 November 2021; following the expiry of the public consultation period on 16 November 2021, the finalised call for proposals is expected to be launched by 10 January 2022 (as opposed to end-September 2021 and end-October 2021 respectively according to the previous enhanced surveillance report). The European institutions expressed concern about the delay in the tender and encouraged the authorities to take the necessary actions to ensure the efficient conduct of the process going forward.</p>
<p><b>Fight against corruption.</b></p> <p>Implement all recommendations addressed by the Group of States against Corruption (GRECO).</p>	<p><b>The authorities have progressed further with implementing measures to address the remaining recommendations from GRECO's fourth evaluation round.</b></p> <ol style="list-style-type: none"> <li>1. Recommendation on the selection of senior positions of judges and prosecutors, and on disciplinary proceedings: The new code for the organisation of justice and the status of officers of the courts aims at enhancing the process within the current constitutional framework and is expected to be adopted by end-December 2021.</li> <li>2. Recommendation on providing guarantees against delays and improving caseload management: A number of initiatives are under way to address this recommendation. The adopted mediation law (November 2019) provides for a mandatory mediation procedure in specific commercial, civil and family cases, while a similar procedure is foreseen</li> </ol>

Commitment	State of play and next steps
	<p>under the amended criminal procedure code that was published recently for consultation. Further, the adopted unified code of procedure for the Court of Audit (June 2020) contains a number of measures to ensure that cases are handled within a reasonable timeframe and to improve caseload management. Similar provisions are expected to be introduced with the code for the organisation of justice and the status of officers of the courts. The above initiatives are complemented by the establishment of e-justice systems and of the JustStat unit for judicial data collection. This recommendation is expected to be implemented by April 2022.</p> <p>3. Recommendation on setting clear standards of professional conduct and integrity: The authorities adopted a charter of ethics for the Court of Audit judges (November 2020). Moreover, two working groups are developing codes of conduct for administrative judges, as well as for civil and criminal court judges and prosecutors (completion expected by December 2021).</p> <p><b>Amendments to the Criminal Code and the Code of Criminal Procedure that were adopted in November 2021 aim at addressing the recommendations concerning the bribery of public officials, included in GRECO’s ad-hoc report.</b> More specifically, the amendments to these codes contain the following.</p> <p>1. Recommendation on the penalty framework: The article that regulates the offence of bribery of public officials amends the penalty framework and rises the relevant sanction to imprisonment.</p> <p>2. Recommendation on abstention of prosecution: The amendments intend to limit the scope of corruption clauses that can be subject to abstention of prosecution.</p>

Commitment	State of play and next steps
	<p>3. Recommendation on prosecution of foreign officials: The amendments extend the concept of a public official as a subject of the crime of bribery to foreign officials.</p> <p>4. Recommendation on effective regret: A relevant article that provided for specific provisions on effective regret is repealed.</p>

### Complementary commitments undertaken by Greek authorities in May 2020

Complementary commitment	State of play and next steps
<p><b>Justice.</b></p> <p>Introduce an action plan for the creation of specialized court chambers for specific categories of cases to improve the delivery of justice, particularly in areas of high economic impact, and introduce the adequate legislation.</p>	<p><b>Following the Athens and Thessaloniki courts of appeal and the Thessaloniki court of first instance, the decision amending the internal regulation of the Athens court of first instance has been submitted to the Supreme Court for approval.</b> The operation of special chambers has effectively started in Thessaloniki and the Athens Court of Appeal, following the lifting of the pandemic-mandated suspension of judicial proceedings, as of the beginning of the ongoing judicial year (September 2021). The European institutions encouraged the authorities to henceforth monitor and report on uptake based on the registration of cases on the corresponding dockets of the relevant courts.</p>
<p><b>Justice.</b></p> <p>Enact the new Code of Judicial Staff and present a timetable for the adoption of the New Code for the Organization of Justice and the Status of Officers of the Courts.</p>	<p><b>The Code for the Organisation of Justice and the Status of Officers of the Courts is expected to be adopted by end-December 2021 and enter into force on 1 January 2022.</b> The European institutions encouraged the authorities to share the text of the draft code prior to the launch of the public consultation procedure.</p>

Complementary commitment	State of play and next steps
<p><b>Justice.</b></p> <p>Present an action plan for the creation of a specialized ‘JustStat’ unit for data collection and processing to measure and improve the performance of the judicial system and introduce the relevant legislation.</p>	<p><b>The requisite secondary legislation to operationalise the JustStat unit was signed and submitted to the Council of State for the constitutionality control and is expected to be adopted by end-December 2021, broadly in line with the timeline presented in the 11<sup>th</sup> report.</b> The members of the supervisory committee will be appointed within one month from the adoption of the secondary legislation. Meanwhile, an electronic platform developed in order to allow the courts to upload statistical data is currently operational.</p>
<p><b>Public administration.</b></p> <p>Strengthen the hiring control of the public sector through setting an annual ceiling of temporary staff.</p>	<p><b>A Cabinet Act was adopted that sets a ceiling for temporary staff to be hired in 2022.</b> The ceiling for 2022 is set at 25 344, which is 10% lower than the temporary posts for 2020. It is noted that needs for temporary staff arisen due to extraordinary circumstances, such as a pandemic or natural disasters, falls outside the scope of the adopted ceiling.</p> <p><b>Due to unforeseen developments it was not possible to reach the expected reduction of temporary teachers following the conversion of 10 500 teachers to permanent contracts.</b> The census (‘Apografi’) for September 2021 showed a reduction of temporary staff hired by the Ministry of Education and Religious Affairs that was close to the number of teachers (10 500) that were hired ahead of the new school year on a permanent contract. However, the authorities informed that there is an exceptional need for 3 000 new temporary teachers for the current school year. This is due to unexpectedly high retirements of teachers and increased demand for special support to pupils coupled with specific needs due to the ongoing pandemic. The authorities committed to carry out a review of needs of permanent and temporary teachers in the medium- to long-term, while the exceptional increase of temporary teachers will be offset for the next school year (2022-2023).]</p>

Complementary commitment	State of play and next steps																																				
	<p><b>The size of the public administration burdening the state budget has seen an increase by 2.6% since 2018, which is mainly due to the increase of temporary staff.</b> This is also consistent with the trajectory of the wage grid, which is expected to increase by 6% in the period 2018-2022 <sup>(4)</sup>. As shown in the table below, the level of permanent staff has remained stable, while temporary staff and elected officials have seen an increase of around 25%. It is noted that the additional staff hired due to the pandemic are not accounted for in this table.</p> <p>Table .[x]: <b>Evolution of public sector staff (2009-2020)</b></p> <table border="1" data-bbox="1176 639 2000 895"> <thead> <tr> <th>Year</th> <th>Permanent staff</th> <th>Temporary staff burdening the budget <sup>(1)</sup></th> <th>Elected staff</th> <th>Other categories</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>601 789</td> <td>64 911</td> <td>8 887</td> <td>6 027</td> <td><b>681 614</b></td> </tr> <tr> <td>2019</td> <td>604 564</td> <td>72 032</td> <td>10 280</td> <td>6 320</td> <td><b>693 196</b></td> </tr> <tr> <td>2020</td> <td>602 789</td> <td>74 473</td> <td>10 994</td> <td>6 528</td> <td><b>694 784</b></td> </tr> <tr> <td>2021 <sup>(2)</sup></td> <td>600 934</td> <td>80 843</td> <td>11 033</td> <td>6 645</td> <td><b>699 455</b></td> </tr> <tr> <td><b>Change to 2018</b></td> <td><b>-0.1%</b></td> <td><b>24.5%</b></td> <td><b>24.1%</b></td> <td>10.3%</td> <td>2.6%</td> </tr> </tbody> </table> <p>(1) The figure includes all temporary contracts in general government entities and legal entities under private law. For 2018-2020 the figure is a yearly average (Jan-Dec) while for 2021 is the average of the period January-September 2021. For 2020 and 2021, the figures do not include the staff involved in the treatment of COVID-19.</p> <p>(2) 2021 figures refer to the September 2021 data except for temporary staff.</p> <p><b>Source:</b> Greek authorities ('Apografi' database).</p> <p><b>Efforts continue in addressing unjustified salary deviations, as part of the authorities' commitment to strengthen central control of hiring</b></p>	Year	Permanent staff	Temporary staff burdening the budget <sup>(1)</sup>	Elected staff	Other categories	Total	2018	601 789	64 911	8 887	6 027	<b>681 614</b>	2019	604 564	72 032	10 280	6 320	<b>693 196</b>	2020	602 789	74 473	10 994	6 528	<b>694 784</b>	2021 <sup>(2)</sup>	600 934	80 843	11 033	6 645	<b>699 455</b>	<b>Change to 2018</b>	<b>-0.1%</b>	<b>24.5%</b>	<b>24.1%</b>	10.3%	2.6%
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<sup>(4)</sup> The calculation caters for ad hoc factors such as the wage refunds paid in 2018, the increase in social security contributions, which is fiscally neutral, and the temporary increase in healthcare wages due to the pandemic.

Complementary commitment	State of play and next steps
	<p><b>and salary provisions.</b> A list identifying all deviations from the unified wage grid covering the period from 2016 until today is expected to be completed by end-2021 with relevant legal provisions adopted by April 2022. Finally, the inter-ministerial committee mandated to prepare a methodology aiming to streamline the hazardous and arduous work allowance has completed its work with legal provisions expected to be adopted by end-2021.</p>
<p><b>Management of public real estate.</b></p> <p>Draw up a holistic and coherent strategy aiming to optimize the protection, management and investment-oriented exploitation of public real estate, including all organizations involved with public real estate management, without prejudice to their mandates.</p>	<p><b>The preparatory work on drawing up a holistic and coherent strategy is still underway.</b> With the assistance of external consultants, the Hellenic Corporation of Assets and Participations continues the process of collecting all the required information for drafting the request for proposal for the consultant that will work on the study for the elaboration of the real estate strategy. The agreed scope of the study includes the identification of international best practices and mapping of current situation / gaps, sustainable development of the public property and areas for reform of the framework for the development of public real estate assets. The strategy is expected to be finalised in the second quarter of 2022.</p>
<p><b>Strategic project pipeline.</b></p> <p>Fully develop a Strategic Project Pipeline of large infrastructure projects with the objective to better coordinate and monitor future public expenditures and maximize complementarities between private, public and EU funded projects.</p>	<p><b>The Executive Committee and the Government Committee for Contracts of Strategic Importance became fully operational as from July 2021.</b> Following preparatory work by the Executive Committee, which included a request for submission of projects by Ministries and other public sector entities (including municipalities and SOEs), the first Development Programme of Contracts of Strategic Importance is expected to be concluded by end-November 2021. With the preparation of the first Development Programme of Contracts of Strategic Importance, the commitment will be considered as completed.</p>
<p><b>Project preparation facility.</b></p>	<p><b>The Project Preparation Facility became fully operational as from</b></p>

Complementary commitment	State of play and next steps
<p>Develop and fully operationalize an improved support and delivery mechanism for project preparation and implementation to ensure efficiency and quality of both public sector infrastructure projects as well as Public Private Partnerships.</p>	<p><b>mid-November.</b> The Facility is intended to mature and provide broader support to strategic projects included in Greece’s recovery and resilience plan, EU structural funds and the national investment programme. The initial list of recovery and resilience plan’s projects to be assigned for maturation to the facility was finalised on 8 November 2021, and the first contracts with the beneficiaries are expected to be signed in the coming weeks. Furthermore, the tender process for framework contracts for consultants is expected to be launched by end-November 2021. Regarding projects funded under the Recovery and Resilience Facility, the relevant contract for the funding of the Facility’s related costs has been signed between the Ministry of Finance and the Fund on 12 November 2021; for other projects, the discussions between the Fund, the Hellenic Corporation of Assets and Participations and the authorities were concluded ensuring adequate prefunding.</p>
<p><b>Public procurement.</b></p> <p>Adopt a new public procurement strategy for 2021–2025 by end 2020.</p>	<p><b>Public procurement reform steadily progresses to operationalise the new regulatory framework, also in the wider context of the recently adopted strategy.</b> Notably, the updated templates for procurement documents are now in use by contracting authorities nationwide, whilst the authorities implemented policy changes in the area of centralised procurement for general goods and services, namely in the design of framework contracts. According to the authorities, such changes led to an acceleration of contract award procedures and an increase in the quality of goods and services purchased. Further, the authorities adopted secondary legislation to set up a system of supervision and management of public works and related studies by certified private bodies. This is expected to facilitate the effective and timely execution of such contracts.</p> <p><b>The adoption of the remaining secondary legislation critical for the implementation of newly introduced elements of the new law</b></p>



Complementary commitment	State of play and next steps
	<p><b>progresses with a short delay, and is now expected to be completed by end-November 2021.</b> These relate to the set up of a registry of certified private-sector engineers in order to complement scarce public resources in exercising control for certain value contracts for public works and studies, and to the transition to an Integrated System for Technical Specifications and Costing of Technical Works, including the set up of a new legal entity to develop and maintain this system. The new system is expected to provide in a digitally accessible manner a comprehensive and uniform set of rules, methods and tools to support the planning, development and implementation of all technical works.</p>
<p><b>Education.</b></p> <p>Enhance the autonomy of higher education by strengthening the accountability and transparency framework and through the introduction of the University Council.</p>	<p><b>The authorities are preparing a bill aiming at enhancing the autonomy of higher education institutions, strengthen accountability and transparency and promote extroversion, innovation and research in the Greek universities.</b> The bill intends to improve study completion rates, reduce skills mismatch and graduate unemployment. Measures include the transfer of responsibilities from the Ministry of Education to universities, the establishment of internal accountability procedures, streamlining of institutional governance through a clear division of responsibilities between the management and the academic boards with the introduction of university councils. The bill is expected to be tabled in Parliament only in the first trimester of 2022, compared with the end-2021 timeline indicated in the 11<sup>th</sup> report.</p>
<p><b>E-governance.</b></p> <p>Develop the single digital portal (gov.gr) to integrate all electronic transactions for citizens and businesses with the state and related information, unify the legal framework on digital policy, and safeguard business continuity by ensuring sufficiency of digital</p>	<p><b>The implementation of new digital services and applications steadily progresses, underpinned by enabling actions to enhance system interoperability and data exchange within the public administration.</b> New services to citizens include the digital delivery of certificates such as for proof of criminal record and school-leaving certificates, in addition to the expansion of the application of ‘MyDeskLive’ platform, most recently</p>

Complementary commitment	State of play and next steps
infrastructure mid-2021.	<p>to cover social insurance services. These supplement previously included services of tax administration, citizens' service centres, public employment services and Greek consulates worldwide, with the so far total number of citizens' transactions serviced through video calls across these services amounting to more than 13 000 since the initial launch of the platform. New services are facilitated through the ongoing implementation of interoperability initiatives and data exchange through the central interoperability hub. To date, 270 public systems have been migrated to a g-cloud environment, facilitating efficient and secure data exchange.</p> <p><b>The implementation of digital initiatives further contributed to a number of other policy objectives, including in health and social policy.</b> For instance, the authorities implemented the 'Freedom Pass', a digital card for vaccinated citizens aged 18-25, providing them with a lump sum contributing to specific expenses, and the 'Data Pass' for vaccinated youth aged 15-17, entitling them to a free package of mobile data for 6 months. Other advances include the set up of the 'edupass' platform to facilitate health control at university and school premises nationwide, by providing live information to these establishments about the vaccination status and covid testing of students physically attending classes. Further, the authorities launched a mobile application for eHealth to enable citizens to access personal data included in the electronic prescription system, a proponent for the Electronic Health Record System, which will be linked to this application.</p>