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**COMMISSION STAFF WORKING DOCUMENT**

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

*Accompanying the document*

**COMMUNICATION FROM THE COMMISSION**

**Enhanced Surveillance update - Greece, June 2021**

{COM(2021) 528 final}

## STAFF WORKING DOCUMENT

### Progress with the implementation of due specific commitments and relevant continuous commitments (\*) given to the Eurogroup ([Annex to the Eurogroup statement, 22 June 2018](#)) <sup>(1)</sup>

Commitment	State of play and next steps
<p>(*) <b>Fiscal.</b> Achieve a primary surplus of 3.5% of GDP over the medium-term.</p>	<p>The General Escape Clause was activated in agreement between the European Commission and the European Council in March 2020 and remains active in 2021 as indicated in the Annual Sustainable Growth Strategy 2021. 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. In March 2021, the Commission adopted a Communication suggesting that Member States with high debt levels as Greece should pursue prudent fiscal policies in 2022, while preserving nationally-financed investment and making use of grants under the Recovery and Resilience Facility to fund additional high-quality investment projects and structural reforms. On the basis of the Commission's 2021 spring forecast, on 2 June the Commission considered that the conditions for the continued application of the general escape clause in 2022 and its deactivation as of 2023 are met. Country-specific situations will continue to be taken into account after the deactivation of the general escape clause <sup>(2)</sup>.</p>

<sup>(1)</sup> The report was prepared taking into account information available up to the cut-off date 27 May 2021.

<sup>(2)</sup> See 'Communication from the Commission on Economic policy coordination in 2021: overcoming COVID-19, supporting the recovery and modernising our economy', Brussels, 2.6.2021, COM(2021)500 final.

Commitment	State of play and next steps
<p><b>Public financial management.</b> Complete the chart of accounts for the central administration by implementing the fund and functional classifications in the 2022 State budget by mid-2021. It is noted that the implementation of the fund classification is subject to a provision of technical assistance.</p>	<p><b>The implementation of functional classification is progressing. It will be fully completed by April 2022, at a broader basis than initially envisaged.</b> The necessary IT specifications to support the first phase of the functional classification (1<sup>st</sup> level) in both the investment and non-investment budgets have been completed. Work ensuring interoperability of the public investment IT payment system with the central IT system is ongoing and is assisted by technical support provided by the European Commission. The authorities prepared a road map with a timetable for the completion of the functional classification by end of April 2022. According to the roadmap, the 1<sup>st</sup> level of the functional classification will be completed by October 2021 and published in November in the context of the preparation of the 2022 budget, while the 2<sup>nd</sup> level is planned to be completed by April 2022. The European institutions welcome the fact that the authorities intend to apply the 1<sup>st</sup> level of the functional classification, to be presented in 2022 budget, also to general government entities. As regards the accounting reform, the new accrual accounting framework is already being implemented in the central administration and will be further enhanced with the rollout to cover all general government entities as planned in the Recovery and Resilience Plan.</p>
<p><b>(*) Arrears.</b></p> <p>The authorities will implement the arrears clearance plan and avoid the accumulation of new arrears.</p> <p>Complete the implementation of reforms identified by the Hellenic Court of Auditors.</p>	<p><b>According to February 2021 data, the stock of net arrears reached €1.1 billion, up by €96 million compared to the December 2020 level presented in the last report.</b> The stock of non-pension arrears increased to €614 million in February compared to €485 million in December 2020, while the backlog of unprocessed pension claims decreased slightly to €461 million, compared with €494 million in December 2020. The increase in the non-pension arrears was mainly observed in local</p>

Commitment	State of play and next steps
	<p>governments and extra-budgetary funds and is attributed to the lack of liquidity due to lower revenues due to the outbreak of the pandemic. To tackle the issue, the authorities decided to provide additional liquidity to the entities facing a shortage, which will be earmarked to arrears clearance. Another factor behind the increase in arrears are seasonal fluctuations in the sector of hospitals (see below).</p> <p><b>The authorities prepared a comprehensive analysis of the drivers of the accumulation of arrears, which identified additional factors out of the direct control of the government.</b> First, the analysis pointed to seasonal fluctuations within the year in specific subsectors, such as in the tax administration and hospitals, which reflect the annual submission of tax refunds claims or the hospitals' procurement processes. Seasonal effects average out throughout the year but can account for up to €163 million (slightly less than 0.1% of GDP) at a specific point in time. Second, human factors (e.g. temporary shortages in personnel, leaves, etc.) and unexpected operational obstacles can justify the existence of a minimum stock of arrears linked to rolling obligations (i.e. arrears that are repaid but the overall stock cannot be completely cleared as new payment obligations continue to flow in). Across all subsectors, these factors account for €116 million (less than 0.1% of GDP), representing a very small fraction of each subsector's respective accrual expenditure. Finally, a minor additional adjustment (€21 million) will be introduced to cater for the time lag between the realization of expenditure supported from EU funds and the payment of the claim by the EU. Overall, the factors mentioned above lead to a reassessment of the stock of net non-pension arrears monitored under enhanced surveillance from €614 million to €302 million in February 2021. The European institutions consider that the</p>

Commitment	State of play and next steps
	<p>reassessment of the stock is final and ensures the credibility and attainability of the targets set out in the updated clearance plan.</p> <p><b>The March 2021 update of the clearance plan aims to materially clear non-pension arrears by June 2021, in line with the agreement reached in the context of the 9<sup>th</sup> report and incorporating the structural impediments beyond the authorities’ control mentioned above.</b> Apart from the above-mentioned additional liquidity, the authorities committed to enhance their efforts to improve the quality of reporting, with a particular focus on expenses that should be rejected from the Commitment Registry due to legality issues. In addition, the incentive mechanism for the prevention of accumulation of arrears at local level, which entered into effect in January 2021, is expected to be fully operational by the end of second quarter of 2021. According to this mechanism, the local governments will be obliged to submit every quarter a list with the remaining arrears accompanied by a justification for their non-payment and to transfer the amounts equivalent to the arrears to a special account at the Consignment Deposits and Loan Fund (CDLF) earmarked for arrears payment.</p> <p><b>A number of additional measures have been adopted to accelerate the clearance of pension arrears with full clearance planned for end-2021.</b> The authorities adopted additional measures including the introduction of an advance payment to those who have submitted a pension application, the increase of personnel dealing with manual processing and the creation of a Task Force which has the expertise to propose IT and administrative changes as well as legal amendments which will accelerate/facilitate the pension clearance.</p>

Commitment	State of play and next steps
	<p><b>The implementation of the Hellenic Court of Auditors' recommendations is underway.</b> The implementation of the majority of the recommended structural reforms are now closely monitored by the Steering Committee for arrears due to its reinforcement from ministries responsible for the implementation of a large number of the remaining recommendations. The Steering Committee provided a detailed progress report, which also included the entities that do not participate in the Steering Committee. Overall, the majority of the recommendations are fully addressed and the implementation of the remaining ones shows overall good progress. Delays were observed in the preparation of the interim report from the working group responsible for simplifying the legislative framework for the conduct of fiscal procedures given that consultations with the General Secretariats of Fiscal Services have not been completed yet. The consultations are seen as instrumental in defining the required legislative amendments. However, the final report including legislative proposals for the simplification of the fiscal procedures and elimination of bottlenecks is expected to be completed within the agreed timeframe, i.e. by the end of July.</p> <p><b>The new law setting out the conceptual framework regarding the internal control in the public administration was adopted in April 2021.</b> The National Transparency Authority has provided an action plan on the roll out of internal control systems in accordance with the new law. According to the plan, the establishment and the operationalization of internal control units in all ministries would be completed by the end of September 2021 while the regulatory acts, which will set the criteria for the establishment of internal audit units in general government entities, would be prepared by the end of the year. In addition, the evaluation of</p>

Commitment	State of play and next steps
	the public financial management component of the internal control framework has started, with findings expected to be submitted by end-June 2021.
<p><b>Tax administration.</b></p> <p>Reach the agreed permanent staffing positions at the Independent Authority of Public Revenue of 12 500 by end-2019 and 13 322 by mid-2021.</p> <p>Make the end-to-end IT collection systems fully operational by mid-2021.</p>	<p><b>Following the adoption of the supplementary wage grid, the overall human resources reform of the Independent Authority of Public Revenue will come into effect as of 1 June 2021.</b> The authorities confirmed that the secondary legislation setting up a grading system will be in place prior to its launch. The number of staff of the Independent Authority remains well below the targets set and has actually decreased recently (11 736 at the end of March 2021 compared to 11 848 at the end of 2020). The comprehensive human resources reform is expected to reverse the trend by making it easier for the Independent Authority to attract and retain high calibre staff. The roll-out of the reform, including relevant verifications of salary calculations according to the new wage grid, is expected to take place gradually from June until August 2021. Salary differences according to the new wage grid will be paid retroactively as of 1 June.</p> <p><b>The end-to-end IT collection system is expected to enter a testing phase in July and become fully operational by November 2021.</b> The training of the Independent Authority’s staff on the new IT system has been brought forward, in order to ensure that the Independent Authority will be in a position to fully utilise this new IT system once ready.</p>
<p><b>Tax policy.</b> Greece will undertake a nationwide valuation exercise of property tax value based on market values and will update property tax values for ENFIA and other taxes fully in line with market</p>	<p><b>The authorities have completed a nationwide revaluation exercise of property prices, including a considerable expansion of the property tax base from 85% to some 95% of properties and the full digitisation of the new zones.</b> Through a Ministerial Decision of 18 May 2021, the</p>

Commitment	State of play and next steps
values.	<p>new objective property values were officially adopted and published and they will come into force on 1 January 2022 for ENFIA and all other taxes, including Property Transfer tax and Inheritance tax.</p> <p><b>The Authorities plan a major reform of the ENFIA property tax for 2022 based on the new property tax values.</b> This will entail a comprehensive updating of the ENFIA tax base, based on the newly-digitised value zones of the wider property tax based. The wider tax base will allow a major reform to the ENFIA property tax system that will be legislated by November 2021. The 2022 ENFIA tax assessment will be brought forward to the beginning of 2022 with first payments by March 2022. ENFIA tax payments will thus be smoothed over the entire calendar year, rather than concentrated with the income tax payments in the second half of the year.</p>
<p><b>(*) Health care.</b> The authorities will complete the full offsetting and collection of the clawback by June every year for the previous calendar year.</p>	<p><b>The collection of the clawback is progressing despite delays.</b> For providers, the collection for 2018 and 2019 is progressing, although it started only recently and after considerable delays. For these years, respectively 5% and 8% of the clawback has currently been collected and, of the uncollected amounts, more than 92% for both years are being collected through instalments, the duration of which can reach 10 years in some cases. To avoid the accumulation of such delays, the authorities have introduced a new collection system for providers, under which 70% of the clawback will be collected upfront on a rolling basis and the remaining 30% through instalments and the bill introducing this new collection method has been submitted to Parliament. For pharmaceuticals, the delays in collection are less severe and the clawback for 2018 and 2019 are collected for approximately 80% of the overall amount. In view of the delays in collecting the clawback, the statistical authorities decided</p>



Commitment	State of play and next steps
	<p>to abandon the use of the clawback ceiling in fiscal recording (see the fiscal section in the Communication).</p> <p><b>The clawback for 2020 was quantified at €795 million (€888 million including high-cost drugs) for pharmaceuticals and €280 million for providers, which compares to, respectively, €787 million (€869 million including high-cost drugs) and €301 million in 2019.</b> While for providers the levels are rather stable around €300 million, the clawback on pharmaceuticals was rising consistently since 2012, with the pace exceeding 30% per year since 2017. From 2019 to 2020, the clawback remained stable, but this seems driven by the exclusion of the spending for vaccines in 2020. The clawback for providers slightly decreased over the past two years. The amounts were officially notified to providers, making it possible for the collection to start, while for pharmaceuticals, the collection of the first semester has already started following a slight delay. According to the original timeline, the collection should be almost complete up to the second semester of 2020 by June of 2021. The Ministerial Decision setting the ceilings for providers for 2021 has been signed and is expected to be published in the next days.</p> <p><b>The clawbacks, especially for pharmaceuticals, are still on an increasing path.</b> While no new structural measures have been presented to avoid the creation of new clawbacks, progress was reported on health technology assessments and negotiations, both of them being important tools to increase the efficiency of spending.</p>
<p><b>Health care.</b> Greece will ensure the rollout of the primary health care system, in particular by opening all 240 primary health care</p>	<p><b>The authorities submitted a first draft of the revised primary health care law.</b> The preliminary draft does not cover key elements of the new system such as the implementation of gatekeeping and the registration</p>

Commitment	State of play and next steps
units.	<p>procedure to achieve full population coverage. In addition, the authorities are working on legislation defining the new organisational setup of health centres, which will host the outstanding primary health care units (currently approximately 100), and set out the new contractual arrangements for family doctors. The recent call to recruit staff for the new primary health care units has led to more than 20 000 applications. Of these, however, only 317 were applications from doctors, which creates a bottleneck towards the opening of new primary health care units. The successful roll-out of the primary health care network crucially hinges on the success of the new contractual models to attract new family doctors and on the adoption of a revised legislative framework by the time of the 11<sup>th</sup> report.</p>
<p><b>Health care.</b> Achieve a share of centralised procurement in total hospital expenditure of 30%.</p>	<p><b>The authorities are about to reach the 30% procurement target, when the value of launched tenders is considered.</b> Tenders for an overall value of more than €250 million were launched in May 2021, of which approximately a third covered tenders for pharmaceuticals. In total, tenders for approximately €400 million have already been launched (some of which cover both 2021 and 2022 procurements). An electronic platform to monitor tenders is underway, and a project to upgrade procurement systems of hospitals is envisaged (meeting both the requirements of the National Central Authority of Health Procurements (EKAPY) and needs of hospitals). The final draft of the legislation for the Central Authority for will be submitted to Parliament by mid-June, having completed public consultation, expected by mid-end May. The law is expected to be adopted by the time of the publication of the next report.</p> <p><b>The Price Observatory has been reactivated and decisions for price</b></p>

Commitment	State of play and next steps
	<p><b>changes were issued for 260 products.</b> The new legislation for the Central Authority envisages a price range observatory, which will determine the acceptable range based on criteria such as quantity, distance, regional and product-specific characteristics.</p>
<p><b>Social welfare.</b> Complete the rollout of all three pillars of the Social Solidarity Income scheme (subsequently renamed Guaranteed Minimum Income scheme).</p>	<p><b>The nationwide rollout of the third pillar has been postponed from 1 April to 1 June 2021, due to disruptions caused by the pandemic to some of its required steps.</b> Remaining preparatory work mainly concerns a) the IT adjustments of the platform of the Government Centre for Social Security Services (IDIKA) and its interconnection with the IT systems of the public employment service (OAED) and the Community Centres and b) the setting up of the implementation guide and other supporting material. The completion of the third and last pillar of the Guaranteed Minimum Income scheme will allow for a systematic provision of labour market reintegration services to the beneficiaries of the guaranteed minimum income.</p>
<p><b>Social welfare.</b> Review the system of subsidies for local public transport.</p>	<p><b>Following the legislative changes and payments to the majority of transport operators earlier in the year, the Authorities adopted the last required legislative amendments in Article 86 of law 4796/2021 of 17 April 2021 to complete this commitment.</b> A Ministerial Decision <sup>(3)</sup> will ensure the last required transport benefit payments will be made to the Thessaloniki Urban Transport Organisation (OASTH) by 8 June 2021.</p>
<p><b>Social welfare.</b> Apply to all disability benefits the new approach for disability determination based on both medical and functional</p>	<p><b>The authorities will legislate in September 2020 to use the functionality-based disability assessment system to assess benefit</b></p>

<sup>(3)</sup> Diavgeia 6NNM465XΘΞ-7ΜΠ.

Commitment	State of play and next steps
assessment.	<p><b>eligibility in their new trial programme of personal assistance to disabled people.</b> This means the new assessment scheme will be used directly for in-kind benefit decisions from the first quarter of next year, rather than a further pilot of the functionality system being needed. The submission and evaluation of applications for the new in-kind benefits using the functionality-based system will start in March 2022. The existing medical-based assessment system will be retained for other disability benefits.</p>
<p><b>Social welfare.</b> Complete the set-up of the single pension fund EFKA.</p>	<p><b>The organisational setup of the single pension fund (e-EFKA) is ongoing and will follow the implementation timeline for the remaining directories.</b> The merging of the outstanding funds is progressing, with the fund for bank employees (TAITEKO) recently completed, farmers (OGA) close to completion and engineers, doctors and lawyers (ETAA) progressing smoothly. The authorities provided a timeline for the completion of all the 120 directories that are needed for the finalisation of the organisational setup of e-EFKA by the fourth quarter of 2021, which is later than initially envisaged as the process suffers from challenges linked to the pandemic. Delays in pension awards noted in the previous reports have not been reduced yet but the authorities are taking actions, including staff training, to reduce the period between filing a claim and approving the level of a pension to three months.</p>
<p><b>(*) Financial stability.</b> 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</p>	<p><b>The work on the implementation of the new Insolvency Code by 1 June 2021 is on track, with the exception of the sale and lease-back mechanism.</b> Following the entry into force of the framework on the rehabilitation of companies and corporate bankruptcy on 1 March 2021, 20 out of a total of 30 ministerial decisions necessary for the implementation of the insolvency law have been published or are pending</p>

Commitment	State of play and next steps
<p>sales, e-auctions) and taking all necessary actions to this effect.</p>	<p>publication in the Official Journal by end-May 2021. The 10 ministerial decisions that are outstanding concern the Early Warning mechanism and are at an advanced stage of drafting, and those related to the sale and lease-back mechanism, which will be drafted by end-June, for adoption by end-July 2021. Work on the relevant IT infrastructure, which involves the Out-of-Court Workout, the Insolvency register and the vulnerable debtors' verification electronic platforms, is also proceeding as planned and is expected to be completed by 1 June 2021. In order to further improve the functionality of the framework, a second phase of work, allowing for the fully automated handling of applications by creditors, is planned to be completed by the end of September 2021, while the early warning IT platform will become operational by the end of November 2021.</p> <p><b>The concessionary process for the set-up of the sale and lease-back entity is expected to take significantly longer than initially expected but will not affect the implementation of the other aspects of the framework.</b> The delay is due to the addition of procedural steps prior to the call for tenders, in line with legal requirements for concessions. Following a call for tenders scheduled for publication in early September 2021 and the ratification of the outcome by parliament in early January 2022, the entity is expected to be in place by end-March 2022. According to the provision of article 226 para. 2 of the Insolvency Code, the procedures for the protection of vulnerable debtors under the sale and lease-back mechanism will commence upon its operationalization.</p> <p><b>The processing of the backlog of insolvency law cases has been delayed reflecting disruptions caused by the pandemic.</b> As a result of the suspension of the functioning of courts, eventually lifted on 5 April</p>

Commitment	State of play and next steps
	<p>2021, deadlines for initial submissions of petitions and the subsequent filings of written arguments and evidence by the parties were suspended. As a result, submissions of above-described documents by the parties will be due by 3 June 2021, whereupon the case files will be closed and the procedure for the setting of a hearing date will be resumed. Moreover, hearings that were scheduled within the suspension period were adjourned and new hearing dates were reappointed ex officio by courts. To avoid further delays, the authorities adopted a provision mandating the parties to seek new hearing dates for such adjourned cases if the hearings already appointed go beyond 30 June 2021 <sup>(4)</sup>. The European institutions encouraged the authorities to set a new credible yet ambitious timeline for the completion of this commitment taking into account the delays due to the pandemic <sup>(5)</sup>.</p> <p><b>The horizontal suspension of enforcement proceedings, including e-auctions during the second tightening of the containment measures was eventually lifted as of 5 April 2021, allowing for a gradual restart of all enforcement steps.</b> It was substituted by a more targeted suspension of auctions, evictions and foreclosures of primary residences of debtors affected by the pandemic until the end of May 2021. This is a positive development, as the protracted generalised freezing of all enforcement steps, including preparatory ones, might have had an adverse effect on Greek banks' efforts to accelerate the reduction of non-</p>

<sup>(4)</sup> Article 237 of law 4798/2021 (OJ A 68/24.04.2021).

<sup>(5)</sup> According to data submitted by the authorities, as of 12 April 2021, 5 025 petitions for the appointment of new hearings had been filed with court secretariats and were being processed by the latter, 18 014 petitions had been processed and notified to the parties and 11 779 petitions were withdrawn. Regarding this last category, lack of data prevents an estimate as to the percentage of withdrawals due to lack of willingness to comply with the requirement to lift the banking secrecy.

Commitment	State of play and next steps
	<p>performing loans, as well as on servicers' business plan targets. Most auctions will be rescheduled after the summer, limiting thus the total number of auctions to be conducted in 2021, to below pre-pandemic levels.</p> <p><b>Despite the implementation of recently legislated additional functionality of the e-auctions platform with the uploading of photographs and valuation reports, further action is planned to facilitate compliance with the law and preserve the value of assets.</b> By virtue of legislation passed in December 2020, building permit infringements need to be addressed within one year of acquisition of a property through an e-auction and not later than the end of 2025. To enable the identification of such situations, the authorities are engaging with the association of notaries to ensure interoperability between the e-auctions platform and the relevant platform, as monitoring such infringements is necessary. Furthermore, interoperability with the cadastre platform and the electronic acquisition of data regarding the energy efficiency requirements and the statement of no pending obligations vis-à-vis the municipalities should be implemented as they would be conducive to an increased security of transactions through the e-auctions platform.</p> <p><b>Despite delays in the preparation of the text of the revised Code of Civil Procedure, the code is expected to be adopted in time for its projected entry into force by mid-September 2021.</b> The report of the law-drafting committee for the evaluation of the implementation of the Code and the proposed revisions is due to be handed to the Ministry of Justice on 4 June 2021, with a three-month delay. The draft is expected to be finalized by mid-June 2021. The next steps (review by the General</p>

Commitment	State of play and next steps
	<p>Secretariat for Legal and Parliamentary Affairs and the public consultation) will run in parallel and are expected to be concluded by end-June 2021, in view of the adoption of the Code by parliament in July 2021. Despite the delay, the authorities confirmed that the revised code will enter into force, as planned, by the start of the next judicial year in September 2021.</p> <p><b>The clearance of the considerable backlog of called state guarantees has continued to fall behind schedule in the first quarter of 2021 but structural changes are now in place for a significant acceleration.</b> The delay in the first quarter of 2021 was partly due to continued administrative delays in the recruitment process of new personnel as well as some unforeseen events caused by the pandemic. However, new staff is in place since early April 2021 and undergoing training, while the interoperability of the electronic files repository with tax offices is now fully operational. Once the new staff becomes fully operational, a significant acceleration in the pace of clearance in the second quarter of 2021 could be expected. Moreover, the initial target of 17 additional new permanent staff to be hired during the summer will be increased to 30, further speeding up the processing of claims.</p> <p><b>Preparatory work on the necessary secondary legislation to ensure full operationalisation of the deferred tax credits framework in all cases, including resolution, is continuing.</b></p>
<p><b>Labour market:</b> Greece will safeguard competitiveness through an annual update of the minimum wage in line with the provisions of Law 4172/2013.</p>	<p><b>The procedure for updating the statutory minimum wage, put on hold following the outbreak of the pandemic, resumed in March 2021 and the new level of the minimum wage is expected to be determined by end-July 2021.</b> Social and scientific partners were invited to provide</p>



Commitment	State of play and next steps
	their views as envisaged by the legislation.
<p><b>Investment licensing.</b> Complete the investment licensing reform, and to this end fully deploy the relevant ICT.</p>	<p><b>The tender for the deployment of the relevant IT system, which is critical to support the new investment licencing framework has been unblocked, and the final decision of contract award was issued on 11 May 2021.</b> The project will be implemented within 34 months following the signature of the contract, which is expected shortly.</p>
<p><b>Investment licensing.</b> Greece will finalise inspection legislation.</p>	<p><b>The authorities adopted tools and legislation on most remaining parts to complete the reform in the three priority areas, whilst the pending deliverables are expected by end-May 2021.</b> Specifically, the authorities adopted legislation to amend sanctions and enforcement powers on product and food safety, whilst the respective provisions for environmental protection are expected to be adopted by end-May 2021. Further, the adoption of the enforcement management model on food safety and environmental protection, in addition to secondary legislation to set in force the remaining part of the complaint management model on the safety of processed food is also expected by end-May 2021. Further, the authorities recently adopted legislation to define the roles and responsibilities of inspecting authorities for food safety.</p> <p><b>In parallel, the authorities are progressing with the extension of the framework in the four remaining areas, albeit slower than expected, in part due to reasons outside the authorities’ control.</b> Specifically, work progresses in the area of consumer protection, with the adoption of secondary legislation to introduce a risk assessment framework and the complaint management model expected by end-May 2021, as compared to the timeline agreed in the context of the 9<sup>th</sup> report, i.e. by end-March. Conversely, for reasons outside the authorities’ control, work on the area</p>

Commitment	State of play and next steps
	<p>of health and safety of workers, is now delayed to end-June 2021, as compared to end-March. Despite this, the commitment to finalise inspection legislation in the four remaining areas is still expected by end2021.</p>
<p><b>Investment licensing.</b> 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 remaining sectors, nonetheless, some economic activities relating to education have not been included in the scope of these simplification initiatives.</b> Specifically, the authorities recently adopted legislation to simplify activities in the priority areas of transport, social welfare, physical well-being, leasing of maritime leisure equipment, amusement sector activities, and different forms of tourism. The legislation simplifies the business environment by reducing requirements and the extent of ex-ante control currently imposed on businesses. The authorities have also drafted the first of the three batches of secondary legislation deriving from this law, which is expected to adopted by end-May 2021, with a minor delay compared with the end-April timeline agreed in the context of the 9<sup>th</sup> report. Further batches are envisaged for end-June and mid-September 2021, as agreed in the context of the 9<sup>th</sup> enhanced surveillance report. Further, the authorities recently submitted for public consultation a new bill on the reform of most activities that have not been reformed so far. Relevant legislation to simplify activities in the area of education, namely colleges, private tutoring, language centres and technical and vocational secondary education, is planned to be adopted by September 2021. Lastly, with the support of ongoing technical assistance provided by the Commission, the authorities will, by the beginning of 2022, develop a legislative framework for the licensing of certain activities, namely for non-therapeutic spas and massage centres,</p>

Commitment	State of play and next steps
	<p>artificial tanning units and the storage of boats in land areas. In parallel, the simplification of activities relating to ski resorts and tourist ports will also be examined with the support of technical assistance by end-2021, whilst a wider reform of these activities has been proposed in the context of the Recovery and Resilience Plan.</p>
<p><b>Cadastral.</b> Greece will fully establish the cadastral agency and complete 45% of cadastral mapping by end 2021, with a view to ratifying the complete cadastral mapping and forest maps by mid-2022.</p>	<p><b>There is good progress in the completion of the cadastral surveys.</b> By end-2021, 86.5% of the total property rights are expected to be either integrated in the cadastre or collected (declared) and in the process of being integrated. The level of objections so far is around 2-3%, which is within the normal level.</p> <p><b>Transition from mortgage offices to cadastral offices continues at a steady pace of two new cadastral offices opening per month (and the corresponding closures of mortgage offices).</b> As of April 2021, seven cadastral offices and 19 sub-offices were open and in operation (28%). In terms of property deeds, 15% of the total deeds have been transferred to the cadastral offices. In April 2021, the cadastral office of Patras was opened, serving the 3<sup>rd</sup> biggest city with about a million of property rights.</p> <p><b>The public presentation of forest maps has been completed for 95% of the country.</b> About 50% of the country now has ratified maps. The remaining maps will be ratified after the regulatory time for filing objections has elapsed. The authorities have decided to extend this time by six months due to the pandemic and to address administrative and legislative hitches. It is expected that about 95% of Greece will have their maps ratified in the first quarter of 2022.</p>

Commitment	State of play and next steps
<p><b>Energy.</b> 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>Following completion of the market test, the Commission is discussing with the authorities how to best incorporate the feedback provided by market actors into the anti-trust remedy to be finalised shortly.</b> The authorities are engaging constructively in this discussion, in order to ensure that the final remedy will have the desirable effect.</p>
<p><b>(* Hellenic Corporation of Assets and Participations (HCAP).</b> The Strategic Plan of HCAP will be implemented on a continuous basis.</p>	<p><b>The good progress in the implementation of the Corporation’s strategic plan continued.</b> Notably:</p> <p><b>(i) The Corporation has launched the update of its strategic plan.</b> This follows the issuance of the updated Ministerial Guidance, which sets out the government’s general vision for the Corporation over the medium term and its expectations for the financial performance of the Corporation’s portfolio of assets. It is welcome that the authorities engaged thoroughly with the European institutions as part of drafting the updated Ministerial Guidance. The additional focus of the Ministerial Guidance on market-based management and financial performance, as well as clarifying the Corporation’s responsibility for active asset management, is also an important step forward. Within this updated framework the Corporation intends to increase its focus on acting as an active shareholder. Preparatory work is also underway for the benchmarking analysis for the subsidiaries and the Corporation to support accountability and enable objective commercial targets.</p> <p><b>(ii) The Steering Committee envisaged under the Coordination Mechanism has been set up for the Athens Urban Transport Organisation (OASA).</b> This will be a further important step forward in clarifying the financial contribution of the State to public policy costs, and toward the Athens Urban Transport Organisation’s operational</p>

Commitment	State of play and next steps
	<p>improvement, independence and financial sustainability. Furthermore, discussions started on the preparation of a performance contract. A detailed list of special obligations to be subject to the performance contract for the Athens Urban Transport Organisation has been agreed, in April, by the Steering Committee.</p> <p><b>(iii) The Corporation proceeded with further work on identifying legal impediments to the effective, agile and commercial operation of state-owned enterprises managed by the Corporation.</b> The elimination of these impediments is essential for enabling the state-owned enterprises to become operationally and financially independent, and do business in a customer-centric way and in line with private sector principles. It is therefore key to the future success of the Corporation’s mission. A first list of impediments was compiled in April 2021, whereas a more comprehensive one will be prepared by endJune 2021. The authorities have shown clear support for this work, which also complements the authorities’ broader initiatives aiming at improving the operational framework of state-owned assets. It is important that the Corporation provides input to these broader initiatives where there is an interaction of these initiatives with it. The authorities have also engaged from an early stage with the institutions on these initiatives, which is very welcome.</p> <p><b>The authorities are also working on modernising the institutional framework for state-owned enterprises and other public legal entities and are engaging with the European institutions to progress on this initiative in a collaborative fashion.</b> This work stream entails (i) the codification, improvement and modernisation of the current legal framework (Law 3429/2005) on state-owned enterprises and (ii) the creation of a single digital registry to capture information on every</p>

Commitment	State of play and next steps
	<p>enterprise, organisation and any other legal entity in which the state participates.</p> <p><b>In mid-February 2021, following the expiry of the term of office of the first Board of the Corporation, a new Board assumed office.</b> The transition has been smooth and the work of the Corporation continues.</p>
<p><b>HCAP.</b> Complete the transfer of the Olympic Athletic Centre (OAKA) to HCAP.</p>	<p><b>The authorities proceeded to the elaboration, with the assistance of external consultants, of a master plan.</b> The core goal is to develop a civic park that provides a high level of amenity to visitors, with sports and recreation facilities and to ensure the site's financial sustainability by adding new commercial uses. It will be important that the site will be able to generate enough revenue to comfortably secure its future over a very long timeframe. The bulk of the maintenance and upgrade works should be completed before transfer to the Corporation.</p>
<p><b>HCAP.</b> Transfer the eligible real estate assets included in the 2018 package to the Public Real Estate Company, reflecting the May 2020 ruling of the Council of State.</p>	<p><b>Despite the completion of the first evaluation and screening by the General Secretariat for Tax Policy and Public Property, work is still needed for the transfer of the eligible real estate assets to the Public Real Estate Company.</b> The evaluation and screening involved an identification of the large number of assets, their initial categorisation and an issues analysis. An itemised list with the findings of the screening process was given to the European institutions on 30 April 2021. The next step will be a validation of the findings by the involved ministries.</p>
<p><b>Privatisation.</b> The Asset Development Plan will be implemented on a continuous basis.</p> <p>With a view to swiftly attracting investment to support a sustained</p>	<p><b>The updated Asset Development Plan was approved by the Board of the Hellenic Republic Asset Development Fund and endorsed by the Government Council for Economic Policy on 14 May 2021 (FEK B',</b></p>

Commitment	State of play and next steps
<p>economic recovery, complete the transactions on Hellinikon, HELPE, Egnatia, DEPA commercial, regional ports of Alexandroupolis and Kavala, AIA shares, EYDAP and EYATH.</p> <p>By mid-2021, 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>2010/14.05.2021).</p> <p><b>The privatisation proceeds in 2020 amounted to €46.3 million, mainly from the financial closing of the transaction on the marina of Alimos and the sale of small real estate assets.</b> The initial target of proceeds of around €1 billion that was set at the beginning of 2020 was adversely affected by the delayed implementation of the privatisation programme due to the outbreak of the pandemic.</p> <p><b>Progress with specific transactions since the last report has been as follows:</b></p> <p><b>Hellinikon:</b> The transaction of Hellinikon moves closer towards its final stage for implementation following the ratification of the binding legal document on the partition of the Hellinikon site and the establishment of surface rights by the Hellenic Parliament on 24 March 2021. The review procedure of the supporting documents of the selected investor for the casino licence by the Hellenic Gaming Commission was completed on 12 February 2021, whereas the Court of Audit approval is expected in June 2021. Its ratification by the Parliament is expected thereafter. However, two decisions of the Council of State are still pending. In this regard, the petition for annulment of the Joint Ministerial Decision for the Urbanization Zones of the Integrated Development Plan was rejected on 2 April 2021, as well as the two petitions for annulment regarding the forestry issue, which were rejected on 14 May 2021. The financial closing of the transaction is expected in the coming months.</p> <p><b>Egnatia:</b> Progress was made over the past two months in the tender process for the long-term concession of Egnatia. On 1 April 2021 two</p>

Commitment	State of play and next steps
	<p>binding offers were submitted. However, a third pre-qualified bidder proceeded to taking legal actions (application for interim measures) against the rejection, by the Board of the Fund, of its request for an extension of the date for the submission of binding offers. The relevant Court did not accept the request for the issuance of a provisional order for the suspension of the tender process until the hearing of the application for interim measures. The above hearing was held on 10 May and the application for interim measures was rejected. The Fund has proceeded with the unsealing and review of the technical offer, whereas the unsealing of the financial offers is expected in due course. Progress on the remaining pending actions has been limited and works are behind schedule regarding both the toll stations and licensing of the remaining tunnels. A frontal toll station was put in operation in mid-March, whereas a third cluster of 8 lateral toll stations have been put in operation on 18 May (six toll stations) and 20 May (2 toll stations). The pending works for most of the tunnels were completed by the end of April 2021. Close monitoring will continue.</p> <p><b>Regional ports of Alexandroupolis and Kavala:</b> Assessment of the investors' Expressions of Interest and the short listing of the prequalified parties for the Binding Offers Phase was concluded on 30 March 2021, thus launching the Binding Offers Phase for both transactions.</p> <p><b>Regional port of Igoumenitsa:</b> The assessment of the investors' Expressions of Interest and the short listing of the prequalified parties for the Binding Offers Phase was concluded 22 April 2021, thus launching the Binding Offers Phase for the transaction.</p> <p><b>Regional port of Heraklion:</b> The Fund launched on 5 April 2021 an</p>



Commitment	State of play and next steps
	<p>international public tender for the submission of the expression of interest for the sale of shares (sale of a majority stake of at least 67%). The tender process will be held in two phases: (a) submission of expressions of interest and pre-qualification of interested parties and (b) submission of binding offers and selection of the preferred investor. Interested parties are invited to submit their expression of interest on 30 July 2021.</p> <p><b>Public Gas Corporation (DEPA) Infrastructure:</b> The tender process is proceeding. Work is being done on the pending issues, which need to be resolved prior to the submission of binding offers. In April 2021(i) an agreement was reached between DEPA Infrastructure and the private investor (ENI Gas e Luce) owning 49% of the distribution system operator in Thessaloniki (EDA Thess) on the terms of the transaction for the sale of 49% of the distribution system operator in Thessaloniki, which will take place upon completion of the DEPA Infrastructure tender, whereas (ii) an approval by Parliament of the required law amendments that will provide further clarity on the framework for the operation of the distribution system operators is expected in the coming weeks. The submission of binding offers is scheduled for 15 July 2021.</p> <p><b>Public Gas Corporation (DEPA) Commercial:</b> The Fund decided to suspend the Binding Offers Phase of the tender at least until September 2021, so as to have more clarity on the outcome of pending issues.</p> <p><b>Underground Natural Gas Storage (South Kavala:</b> Assessment of the investors' Expressions of Interest and the short listing of the prequalified parties for the Binding Offers Phase was concluded on 30 March 2021, thus launching the Binding Offers Phase. The Regulatory Authority for Energy is expected to issue a decision providing clarity on the tariff-</p>

Commitment	State of play and next steps
	<p>setting framework in the coming weeks.</p> <p><b>As reported in the previous enhanced surveillance reports, some transactions had to be delayed following a significant fall in the assets' capitalisation value or the impact of the pandemic on the level of economic activity.</b> This applies to the Hellenic Petroleum and the sale of 30% of Athens International Airport.</p>
<p><b>Public administration.</b> Complete the integrated HR Management System (digital organigram for all public entities and link with single payment authority).</p>	<p><b>Following the completion of the digital organigrams for general government entities, the authorities have made further progress and established a link between the job description and jobholder for more than 60% of all posts.</b> If the so called 'non-defined posts' (i.e. posts that are yet to be characterised as 'occupied', 'vacant' or 'on hold') are removed then the link has been established for 83.6% and is expected to reach 100% by August 2021. Completion of this important exercise will facilitate the management of human resources in the public administration through interconnecting the records on each jobholder collected by the census of public officials, the Single Payment Authority and the human resources department. Job descriptions for all posts are planned to be completed by end-2021, which would complete this specific commitment. Finally, the appointment process for the Permanent Secretary post at the Ministry of Education and Religious Affairs, which has seen some delays, is expected to be completed by July 2021.</p>
<p><b>Legal codification.</b> 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>The process of labour law codification is affected by the delay in adopting the labour law reform (see below).</b> In terms of legislative procedures, it is not possible to carry out a codification process while a reform of the same provisions to be codified is being discussed. The committee coordinating the authorities' efforts to codify all laws has</p>

Commitment	State of play and next steps
	<p>confirmed that it would proceed with the labour law codification as a matter of priority following the adoption of the new labour law. The draft law was put in public consultation on 13 May and is planned to be submitted to Parliament during the first week of June 2021.</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 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>Regarding the implementation of e-filing in civil courts, the authorities submitted a note on the state of play but are yet to develop an action plan with a timetable to the completion of the project.</b> According to the authorities, its elaboration will depend on the progress of the second phase of the case management project ('OSDDY-PP').</p> <p><b>Regarding the implementation of mandatory e-filing in administrative courts, work is ongoing on the implementation of infrastructure enhancements and the interoperability between the respective IT systems of the courts and the administration.</b> The President of the Council of State is expected to confirm the good standing of the system in June, so that the mandatory filing, covering initial submissions, memoranda and the submissions of administrative files, be implemented as of September 2021.</p> <p><b>The distribution of digital signatures to judges and courts' clerical staff is nearing completion, with 9 000 signatures (out of 11 000) already distributed.</b> Moreover, according to the authorities, the Athens Bar Association confirmed that 20 000 lawyers (out of a maximum 40 000 of registered bar associations' members) have already received digital signatures, of which approximately 12 000 were handed out to lawyers in the Athens metropolitan area. The demand for the issuance of signatures remains strong among lawyers. As for notaries, they will</p>

Commitment	State of play and next steps
	<p>shortly receive digital signatures from the public sector. Moreover, all members of judicial bailiffs associations across the country have already been issued with state of the art digital signatures.</p> <p><b>Authorities reported some progress in the preparation of the launch of the call for bids for the integrated case management system ('OSDDY-PP').</b> The authorities are in the process of concluding a Memorandum of Understanding between the Ministry of Justice and the Society of Information Society of Information (the procurement authority). The latter is expected to finalize the draft Request for Proposal by mid-June 2021 and submit it to public consultation by end-June 2021; the scope of the project will be broadened, with the call for tenders expected to be published in the third quarter of 2021; the contract is expected to be awarded in the first quarter of 2022.</p> <p><b>An ambitious project for the replacement of several certificates related to the solvency status of businesses by a single one has been completed and progress was also made in the digitization of divorce proceedings.</b> On 7 April, the Ministry of Justice announced the completion of the project for the electronic issuance of the solvency status certificate, which replaces twenty five different certificates which were being separately issued hitherto. Court secretariats are currently proceeding with appropriately adjusting their IT systems, with the bigger ones (Athens, Piraeus, Thessaloniki) having already implemented the adjustments. Regarding the implementation of the e-divorce procedure, the necessary amendments to the Civil Code have been adopted<sup>(6)</sup>. In</p>

<sup>(6)</sup> Law 4800/2021 (OJ A 81/21.05.2021).

Commitment	State of play and next steps
	<p>parallel, the authorities have completed the drafting of the necessary secondary legislation (a joint ministerial decision), which will be formally adopted once the Civil Code amendments are published in the Official Journal.</p>
<p><b>Fight against corruption.</b> Implement all recommendations addressed by the Group of States against Corruption (GRECO).</p>	<p><b>The authorities have put forward relevant measures to address the remaining GRECO recommendations and established a timeline to complete the specific commitment.</b> The authorities provided an indicative roadmap that contains the measures envisaged to implement the following recommendations, which are still pending from GRECO's fourth evaluation round. The recommended actions will be completed as follows: (i) enhancing the processes for selection for senior positions of judges and prosecutors, and for disciplinary proceedings: by end-2021; (ii) providing guarantees against judicial delays, and improving caseload management and functioning of courts (including public reports): by April 2022; (iii) setting clear standards for conduct and integrity of judges and prosecutors, and developing relevant training: by end-2021; (iv) revising the Criminal Code and the Criminal Procedure Code to tackle issues concerning bribery of public officials: by end-2021. Measures to address the aforementioned recommendations include, among others, legislative initiatives, deployment of information systems and amendments in Codes, Charters and internal processes.</p> <p><b>Progress has been observed with other important initiatives concerning the fight against corruption, notably the long-awaited improvements to the asset declaration process.</b> The internal evaluation of the National Anti-Corruption Plan for 2018-2021 has been concluded and its output will be integrated in the new 2022-2025 Plan, while the external evaluation is expected for mid-2021. As concerns asset</p>

Commitment	State of play and next steps
	<p>declarations, a joint decision by the Parliament and the Ministry of Finance was adopted to determine the persons that are considered politically exposed, and the relevant list is aligned to the list of persons obliged to submit asset declarations in the political field. Further, the National Transparency Authority has concluded the remaining asset declaration audits for years 2016-2019, and has acquired access to the taxpayers' registry database, which is expected to reinforce its operational capacity. Regarding financing of political parties, audits for year 2018 resulted in fines that were deducted from the state funding provided to the relevant political parties, while audits for year 2019 are to be concluded by the end of 2021. Moreover, there has been some progress with the legal codification of the parties financing law that is anticipated to come into force in the third quarter of 2021. Finally, the lobbying law is planned to be introduced to the Parliament in the fourth quarter of 2021.</p>

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

Complementary commitment	State of play and next steps
<p><b>Better regulation.</b> Achieve improvements in the regulatory framework for doing business in the areas of construction permits, obtaining access to electricity, registering property, resolving insolvency, accessing credit, protecting minority investors, contracting with the government, enforcing contracts, starting a business, paying taxes, and trading across borders by mid-2021.</p>	<p><b>The authorities completed interventions aiming, among others, to reduce the time for private companies to become operational and to rationalise requirements for connecting to electricity.</b> The authorities also elaborated intervention plans to be implemented over the mid-term, including legislative actions, technological interventions, training and communication. These measures aim at improving the process for registering property, mainly through the deployment of digital tools, such as an e-platform for transferring property and an e-platform for the</p>

Complementary commitment	State of play and next steps
	<p>transactions of notaries, which will also interoperate with tax administration systems for tax purposes. The authorities also aim to further expedite the construction permit process through the extension of the interoperability of the ‘e-adeies’ system for building permits with several other services, the implementation of a risk-based approach in fire safety inspections involving private sector expertise, in addition to organising public outreach campaigns to professionals to ensure correct implementation of the new processes. Moreover, further simplification of requirements is envisaged to improve the process for obtaining an electricity connection, backed by the adoption of necessary secondary legislation. Lastly, in the area of improving access to credit, plans include the introduction of a framework on movable property transactions, and the creation of public credit bureau to provide information on the creditworthiness of debtors.</p>
<p><b>Labour law.</b> Improve and modernize the framework for individual labour law, including tackling the issues of highly restrictive overtime rules, unnecessary sectoral differentiation, white collar/blue collar rules, and take account of flexible and home working, as well as implement these measures through secondary legislation, by September 2020.</p>	<p><b>The authorities have confirmed that, following the public consultation process that started on 13 May and will last until 27 May, the Labour Reform law would be tabled in Parliament during the first week of June 2021 with a view to being adopted within the same month.</b> The European institutions were consulted on the draft law.</p>
<p><b>Justice.</b> 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 by mid-2020.</p>	<p><b>Preparations for the creation of special chambers in three out of four major courts of Greece are progressing well.</b> Following the Athens and Thessaloniki courts of appeal, the Thessaloniki court of first instance amended its internal regulation to allow for the creation of special chambers. The amended regulations have been submitted to the Supreme Court for approval; once approved, they will be published in the Official Journal and will enter into force. In contrast, the Athens court of first</p>

Complementary commitment	State of play and next steps
	instance has not yet convened a plenary session to adopt the relevant amendments to its internal regulation and no timetable was communicated in this respect by the authorities. Regarding the creation of special chambers in administrative courts, no action is contemplated at present, given that the model special chambers for the adjudication of tax cases had already been set up prior to the adoption of the relevant legislation <sup>(7)</sup> .
<p><b>Justice.</b> 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 by May 2020.</p>	<p><b>While the Code of Judicial Staff was adopted on 23 April 2021 <sup>(8)</sup>, work is ongoing on the Code for the Organization of Justice and the Status of Officers of the Courts.</b> The revised draft code is expected to be handed in by the law-drafting group by end-June 2021 and, after processing by the Ministry of Justice, to be submitted to the plenary formations of the supreme courts for review by end-July 2021. Following public consultation in November 2021, the code is planned to be adopted by Parliament by December 2021 and enter into force upon publication in the Official Journal, with the possible exception of a number of transitory provisions, which may call for a deferred date of entry into force.</p>
<p><b>Justice.</b> 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 by mid-2020; introduce the relevant legislation by June 2020.</p>	<p><b>The authorities reported progress regarding the adoption of secondary legislation for the ‘JustStat’ unit, which is a prerequisite for the launch of the call for bids.</b> The Ministry of Justice submitted the necessary draft legislation (presidential decree) to the Ministry of Digital Policy; once the text is finalized, it will be submitted to the Council of State for the constitutionality scrutiny; the authorities confirmed that adoption will follow in June 2021. In parallel, work is being conducted on</p>

<sup>7</sup> Article 360 of law 4700/2020 (OJ 127 A/29.6.2020).

<sup>8</sup> Law 4798/2021 (OJ A 68/24.04.2021).



Complementary commitment	State of play and next steps
	setting up a web server for the collection of judicial statistics. The tender for the procurement of IT infrastructure (mainly software) is expected to be launched by end-June 2021.
<p><b>Public administration.</b> Strengthen the efficiency of the personnel selection system through improving the capacity of the Supreme Council for Civil Personnel Selection (ASEP), including in the areas of competition procedures, scoring classification procedures, temporary staff hiring procedures, and the Council's organisation by end-2022.</p>	<p><b>Following the adoption of a law aiming to strengthen the Personnel Selection Council, the authorities have set out an action plan on key steps to be taken to ensure full and timely implementation of the adopted law.</b> The action plan, which is being prepared through technical support provided by the European Commission, covers a number of areas, including the organisational transformation of Council and the new selection system for civil servants.</p>
<p><b>Public administration.</b> Strengthen the hiring control of the public sector through setting an annual ceiling of temporary staff by end-2020, which will be applied from 2021.</p>	<p><b>The authorities have made progress with the work necessary for setting the ceiling on the recruitment of temporary staff that will come into effect as of 2022, while the temporary staff category will see a significant overall reduction by October 2021 and once ongoing hiring procedures converting temporary posts into permanent ones are completed.</b> The authorities have committed to carry out an assessment by August 2021 of the largest temporary staff group not falling under a specific category of civil servants (e.g. seasonal, temporary), which constitutes approximately 70% of all temporary staff (around 65 000). Thereafter, a Joint Ministerial Decision will be adopted by October 2021, setting a ceiling on the recruitment of temporary staff as of 2022. Finally, the soon to be completed selection procedures for 10 500 teachers on permanent posts will result in a corresponding reduction of temporary staff as of October 2021.</p> <p><b>As part of the efforts to strengthen central control of human resources management, the authorities are advancing on listing all</b></p>

Complementary commitment	State of play and next steps
	<p><b>past deviations from standard hiring procedures and the unified wage grid.</b> First, on hiring procedures, a legal provision is planned to be adopted by June 2021 that will address identified deviations, mainly concerning the mobility scheme. Secondly, following finalisation by November 2021 of a list of deviations from the unified wage grid covering the period from 2016 until today, legal provision(s) addressing these deviations in a systematic manner to follow by first quarter of 2022.</p> <p><b>Revision of the methodology for the allowance for hazardous and arduous work will require further extension.</b> The new extension is until August, following which the required legislation is planned to be in place by the end of this year.</p>
<p><b>Transport.</b> Report on the progress of the elaboration of sustainable urban mobility plans for the main urban centres by October 2020.</p>	<p><b>The new law on sustainable urban mobility plans was adopted on 16 March 2021, successfully completing this commitment.</b> The new law includes transitional provisions, which allow the approval of the plans that were already produced under the previous law but have not yet been approved. In total twenty municipalities have produced draft plans, several of which concern cities of medium size. They are mandatory for cities over 30 000 inhabitants. These will be finalised and approved by June 2021.</p>
<p><b>Management of public real estate.</b> 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, by September 2020.</p>	<p><b>An agreement has been reached by the working group on the scope and timeline of the study.</b> The working group was set up in January, composed of representatives of the Ministry of Finance, the Hellenic Corporation of Assets and Participations, its subsidiary the Public Real Estate Company and university professors. The objective of the working group was to determine the scope and timeline of the study aiming at the elaboration of a holistic and coherent strategy to optimise the functioning</p>

Complementary commitment	State of play and next steps
	of the Greek real estate market. 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 first phase of the tender process is expected by the end of May 2021.
<p><b>Strategic project pipeline.</b> 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 by January 2021.</p>	<p><b>The establishment of a Strategic Project Pipeline will facilitate planning and implementation of public investment projects, especially for the Recovery and Resilience Facility.</b> Draft legislative amendments for its establishment have been prepared and adopted by Parliament by Law 4799 (FEK A', 78/18.05.2021). The projects to be included in the Pipeline will be assessed and approved by the Government Committee for Contracts of Strategic Importance upon a recommendation of the Programming and Design Committee consisting of secretary generals.</p>
<p><b>Project preparation facility.</b> 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 by March 2021.</p>	<p><b>Draft legislative amendments that will add the mandate of the Project Preparation Facility to the Hellenic Republic Asset Development Fund have been prepared and are expected to be adopted by Parliament in early June.</b> It is intended that Facility will inter alia prepare strategic projects both for the Recovery and Resilience Facility and for EU structural funds and pre-financing of the preparation funds will be arranged from both sources. The legislative amendments ensure that appropriate safeguards will be in place so that the Fund can continue to independently exercise its existing core mandate. The legislative amendments also provide the new corporate governance structure of the Fund and ensure the role of the Hellenic Corporation of Assets and Participations as its sole shareholder to supervise the corporate governance issues. The timely set-up of Project Preparation Facility will</p>

Complementary commitment	State of play and next steps
	<p>speed up the delivery of Recovery and Resilience Facility projects and other public investment projects. Recruitment of staff for the new Facility is underway and the staffing of the core team is expected to be completed by end-June/July 2021. The preparation of the tenders for the framework contracts for legal, technical and financial consultants are at an advanced stage. The tender process for the framework contracts is expected to be launched shortly after the approval in Parliament of the legislative amendments.</p>
<p><b>Public procurement.</b> Adopt a new public procurement strategy for 2021–2025 by end 2020.</p>	<p><b>The authorities adopted in March 2021 a new law to overhaul and address major weaknesses of the public procurement framework and are currently working on its full operationalisation.</b> Work on the issuance of secondary legislation acts, which had been identified as critical for the operationalisation of the framework progresses, with the first out of the three batches of relevant joint ministerial decisions drafted. Their adoption is expected by end-May 2021, broadly in line with the end-April timeline agreed in the context of the 9<sup>th</sup> report. The authorities plan to set timelines for implementation also for the remaining secondary legislation deriving from the law by end-June 2021. The full operationalisation of the Central Purchasing Authorities, including the one under the Ministry of Infrastructure which is expected by end-September 2021, is a precondition for the effectiveness of the new system.</p> <p><b>A new public procurement strategy for 2021-2025 is expected to be adopted by end-May 2021, broadly in line with the end-April timeline agreed in the context of the 9<sup>th</sup> report.</b> It is expected to support the green and digital transition and strengthen the fight against corruption. According to the updated draft shared by the authorities, key elements include the improvement and upgrade of public procurement systems and</p>

Complementary commitment	State of play and next steps
	tools, actions to ensure effective governance and measurement of performance, and promote key initiatives such as green procurement and procurement to encourage innovation. Following its adoption, the authorities will adopt secondary legislation to set up the necessary structures to oversee its implementation.
<b>E-Health.</b> Develop an electronic Medical Health Record to streamline the use of existing electronic medical record applications and update as necessary the design and use of agreed electronic medical record standard across public (and private) healthcare institutions by end-2020.	<b>The authorities have proposed this measure in Greece’s Recovery and Resilience Plan.</b> The technical specifications to update the medical record with the results of laboratory tests have been completed and will be tested in July 2021.
<b>E-Health.</b> Extend the application of the electronic prescription project (2 <sup>nd</sup> phase), including through therapeutic protocols, back-end integrations, artificial intelligence driven inquiries, necessary interconnection with information systems, and enabling electronic request and access to medicine for all outpatients with chronic diseases by end-2020.	<b>The authorities have proposed this measure in Greece’s Recovery and Resilience Plan.</b>
<b>Health care strategy.</b> Develop a National strategic policy framework for healthcare by end-2020.	<b>The authorities have proposed this measure in Greece’s Recovery and Resilience Plan.</b>
<b>Health care planning.</b> Map health and long-term care needs with available human and technical resources, and take measures to ensure the efficiency, sustainability, accessibility and affordability of health and long-term care services, as well as promote community-based services, by end 2020.	<b>The authorities have proposed this measure in Greece’s Recovery and Resilience Plan.</b>
<b>Education.</b> Enhance the autonomy of higher education by	<b>Following several major reforms of the higher education sector in the</b>

Complementary commitment	State of play and next steps
strengthening the accountability and transparency framework and through the introduction of the University Council by end-2020.	<b>past months, further steps will be undertaken by end-2021, somewhat later than initially envisaged.</b> The already adopted reforms concern the funding of the universities, where public funding will partly depend on performance criteria, a new law on safety and security of university premises, a new system for admission to universities that will result in a reduction of the number of students and a better connection of the provided degrees with labour market. More students will be channelled to professional education. A further bill is planned in the near future that will enhance the autonomy of the higher education institutions, by allowing them to create and terminate education programmes and will strengthen the technological education with emphasis on the needs of the labour market. This bill will also include a revision of the system of university governance, by re-introducing the separation between the management of the universities and the governing board. This bill has been postponed due to other priorities that took precedence and to the pandemic and is expected to be adopted by December 2021.
<b>Education.</b> Introduce internal school-unit evaluations, institutionalize external assessment of schools, and design new curricula for all subjects across all school levels by end-2021.	<b>School education has faced important challenges due to the coronavirus pandemic, with schools being closed most of the time and education being delivered on-line.</b> This has made the implementation of the school evaluations more difficult. The design of 123 new curricula is progressing and they will be experimentally applied in the model and experimental schools (around 100 schools) in the academic year 2021-22 before being more widely adopted. Regarding teacher evaluation, the relevant bill is expected to be presented to the Cabinet in May 2021, and will be adopted in July 2021 and applied in the academic year 2021-22.
<b>E-governance.</b> Develop the single digital portal (gov.gr) to integrate all electronic transactions for citizens and businesses with the state	<b>The digital accessibility of public services is being continually enhanced, in parallel with the ongoing adoption of secondary</b>

Complementary commitment	State of play and next steps
<p>and related information, unify the legal framework on digital policy, and safeguard business continuity by ensuring sufficiency of digital infrastructure mid-2021.</p>	<p><b>legislation to operationalise the new legal framework on digital governance.</b> The authorities are on track with the implementation of the single digital portal, which now features more than 1 150 digital services, including some new social security and employment services. Notable achievements include the completion of the first phase of citizens' accounts i.e. a personalized service for the storage of citizens' personal data, from which citizens can retrieve documents digitally (e.g. following an application to a public service), the launch of a mobile application to provide information on available services, and further extending gov.gr interoperability with citizens' service centres. To date, citizens can book online appointments to obtain assistance with more than 65 services and, according to the authorities, more than 40 000 citizens' requests have been serviced in this way without physical interaction with staff at citizens' service centres. Further, the authorities are drafting secondary legislation deriving from the new Digital Code. Despite some delay as compared to the timeline agreed in the context of the 9<sup>th</sup> report, five legislative acts are finalised and pending for adoption, and further ten acts are expected to be finalised shortly.</p>
<p><b>E-governance.</b> Implement the National Programme for Process Simplification in key policy areas and promote the interoperability of registries, data and IT systems to ease the administrative burden for businesses and citizens by end-2021.</p>	<p><b>Work on process simplification and digitalisation progresses.</b> Key steps include the enactment of the electronic circulation of expenditure documents within the central administration, the simplification and digitalisation of the process for citizenship application, and the consolidation of court certificates related to businesses. Further, the simplification of tourism-related processes was added to the short-term work plan, whilst the authorities aim to provide a full year action plan by end-June. Despite some delay, some 450 services are recorded in the newly created national registry of procedures to facilitate the standardised</p>

Complementary commitment	State of play and next steps
	<p>and transparent execution of services across regional offices, which is expected to go live shortly. The authorities expect to fully complete this registry by end-2021. The completion of a ‘master interoperability registry’ to unify citizens’ records is now expected by end-October 2021 (as opposed to end-April). Nevertheless, a number of transactions are already conducted with the burden on citizens’ identification borne internally by combining data from various sources, and not by citizens themselves, including enrolment in the national covid-19 vaccination programme.</p>
<p><b>Digitisation of geospatial data.</b></p> <p>Develop a State Infrastructures Registry to encapsulate technical and geospatial information about all public infrastructure projects to enable better planning and management of these projects, including for construction and maintenance purposes by end-2021.</p> <p>Develop an Integrated Geospatial Data Mapping tool (Single Digital Map) to increase transparency to investors concerning land use rules across Greece and reduce unpredictability in relation to investment licensing decisions by end-2021.</p>	<p><b>The tender process has been halted as a result of an appeal that remains pending.</b> Following the conclusion of the appeal review, and subject to the outcome of this, the tender will resume with the evaluation of financial offers, which is the next step of the process.</p>