Launching the recovery

A Recovery plan for Europe:

The Recovery and Resilience Facility

GREECE
Overview of the Greek RRP

- **4 pillars**
- **18 components**

- **175 measures**
- **67 reforms and 108 investments**

- **331 Milestones & Targets**

- **€ 30.5 billion**
  - € 17.8 bn grants
  - € 12.7 bn loans
## Assessment summary

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Green transition

37.5% of total allocation for climate objectives

Key investments
- Energy efficient renovations of residential and public buildings (€1.5bn)
- Improve green skills for at least 200,000 people (€373 mln)
- Sustainable mobility (€440 mln)
- Forest firefighting, flood mitigation, reforestation and biodiversity (€548 mln)

Key reforms
- Simplification of licensing for renewables
- New framework for offshore wind
- Law on waste management
- Development of local urban plans for all municipalities

DNSH: No measure in the plan harms environmental objectives

Networks
- Electricity interconnections with the Cyclades (€195 mln)
- Electricity storage (€450 mln)
Digital transition

Key investments
- Digital transformation of public sector (€1.3 bn)
- Digitalisation of businesses (€375 mln)
- Development of 5G networks (€160 mn)
- Improve digital skills for at least 355,000 people (€680 mln)

23.3% of total allocation for digital objectives

Key reforms
- Transition to 5G technology
- Interconnection and interoperability of registries
- Data governance strategy

Cross-border projects
- ‘5G corridors’ investment (Thessaloniki-Sofia-Belgrade)
- Submarine fiber cables’ investment (EL-CY)

Sector-specific actions
- Public administration
- Health
- Education
- Tax authority
Social impact and equality screening

- Enhances employment opportunities for women
- Supports social integration for vulnerable groups
- Improves living conditions for persons with disabilities
- Promotes diversity awareness
Resilience

**Labour market**
- Active Labour Market Policies for the unemployed
- Incentives to take up work
- Creation of new early childcare places

**Improving business environment**
- Simplification of key administrative processes
- Doing business reforms
- Promotion of economies of scale and extroversion of enterprises

**Increasing private investment**
- Using RRF loans to facilitate access to finance for the private sector and closing the investment gap
- Supporting the green and digital transitions

**Health sector**
- Governance and organisation reforms: unified model of care
- Measures to address shortage of family doctors
Resilience - Institutional

**Education**
- New framework for lifelong learning
- Upgrading of vocational training
- Enhancing research performance of universities

**Public administration**
- Improving policy planning and development
- Upgrading of skills of civil servants
- Strengthening the anti-corruption framework
- Strengthening public procurement

**More resilient public finances**
- Digital transformation of tax and customs administration
- Enhancing use of electronic transactions
- Improved public financial management

**Justice sector**
- Revision of judicial map
- Digitalisation and acceleration of procedures
Disbursement profile over time
Audit and control

Framework to protect against serious irregularities in the use of funds:
• Fraud
• Corruption
• Double funding

Audit and control systems:
• Sufficient and robust
• The RRF Management Information System sets out adequate arrangements for implementation monitoring and to avoid double EU funding.
• Greece has a four-level control and audit system for the RRP:
  - The RRF Coordination Agency
  - Implementing bodies
  - Independent certified auditors
  - Financial Audit Committee (EDEL)
RRP and enhanced surveillance

All commitments given to the Eurogroup will continue to be monitored under Enhanced Surveillance.

Different time horizon:
Eurogroup commitments up to mid-2022 – RRP will go on until end-2026

RRP includes reforms and investments on existing policies and brings them to a new level:
- Justice digitalisation,
- disability benefits,
- investment licensing / inspection legislation

Some policies only monitored under Enhanced Surveillance:
- Banking sector (governance etc..);
- Privatisation and HCAP;
- Arrears clearance
Thank you
Background
Loan facility

RRF's loan support (€12.7 billion) allocated to incentivise private investment in strategic areas

- International financial institutions and commercial banks, through corporate bond purchases or syndicated loans (RRF loans expected to cover a maximum of 50% of investment costs)
- An equity platform to support SMEs
- InvestEU national compartment

Contributes to reducing Greece’s investment gap by facilitating access to finance and reducing cost of funding

Loan Facility accompanied by business environment reforms

Arrangements in place to ensure DNSH compliance, and commitment to contribute at least 37% to climate objective and 20% to digital objective
The RRP and fiscal sustainability

Growth impact supporting sustainability

• Persistent impact on GDP level is beneficial to repayment capacity
• Potential long-term growth impact of structural reforms may improve debt sustainability further

More efficient public revenue collection

• Simpler and more transparent taxation: codification and simplification of the tax legislation
• Reducing tax evasion: incentives for electronic transactions, connection of online cash registers and POS terminals
• Faster tax administration: digital transformation of tax and customs administration revenue collection

Better public financial management

• Process optimisation, introduction of a resource planning system
• System interoperability across the general government
• Improved public procurement framework

Loan facility safeguards

• The loan element of the RRF will appear as general government debt at the moment of the disbursement
• It is not expected to have major negative impact on debt sustainability in the long run as reflows will be safeguarded to serve the RRF loan repayment
• The participation of international financial institutions, commercial banks and private investors is expected to deliver sound lending decisions and to limit potential losses