



**HELLENIC REPUBLIC**

**NATIONAL REFORM PROGRAMME 2022**

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## 1. Introduction

The last couple of years have been characterised by global challenges of extraordinary nature. Over this turbulent period the Greek economy has clearly outperformed expectations. In 2020, the year marking the pandemic's outbreak, the Greek economy experienced a strong recession (-9%), yet less acute than initial projections. In a similar upside, in 2021 economic recovery in Greece (8.3%) turned out to be impressively stronger than anticipated, being the joint-third highest in the euro area. Labour market developments have also been positive. In 2020, instead of its projected increase unemployment actually fell; and 2021 saw the best labour market results recorded for many years: unemployment continued its decline to its lowest level since 2011, labour inactivity fell, employment increased by double the level of inactivity reduction, and the reduction in the unemployment rate among women and youth was more pronounced (in percentage terms) than the reduction in the headline unemployment rate. With employment being a key determinant of poverty and economic and social inequality, the recovery of the Greek economy is projected to be strongly inclusive, an aspect expected to be recorded in future rounds of inequality statistics.

The positive developments outlined above are not restricted to leading macro-indicators only. In recent years Greece has been achieving significant progress in micro-oriented areas. For example, and among others positive developments:

- The composition of Greek GDP reflects an ongoing reduction in the share non-tradeable services and an increase in the share of investment, tradeables and exports. The latter implies an increase in the openness of the Greek economy and an improvement of Greek external competitiveness, as confirmed by relevant statistics (e.g., real effective exchange rates). Higher openness is one of the main factors enhancing faster real convergence, one of the leading and long-standing objectives of Greek economic policy.
- Greece is making tangible progress in developing high value-added economic activities. Benefiting from significant tax incentives introduced in 2020, the percentage of research and development expenditure (R&D) has now increased to 1.5% of GDP, a ratio more than double compared to year 2012 (0.7%). In relation to this, the share of high-tech products in total manufacturing exports (which themselves are growing in volume), has increased from 8.5% in 2012 to 13.5% in 2020.
- Over the last three years, Greece has recorded a notable increase in governance/institutional performance, as this is measured by established international metrics.
- Greece has achieved significant progress in the digitization of the public sector: Compared to 8.8 million digital transactions citizens made in 2018 through the main government's portal, 567 million digital transactions took place in 2021. This rapidly accelerating digitization has important direct and indirect expected benefits, including lowering firms' production costs, higher labour productivity, and increasing real wages.

Overall, at the end of 2021 the Greek economy was on a path of strong recovery and increasing employment, though experiencing increasingly (since summer 2021) strong inflationary pressures considered, however (as in all EU member states), to be mainly of temporary nature and, in particular, due to global supply/demand imbalances and supply bottlenecks. At the same time, the strong recovery of the Greek economy is accompanied by evidence of an ongoing upgrade of the Greek supply side, increasing Greece's long-term output and resilience to future shocks. In short, Greece exited the pandemic's second year with both its short- and long-term economic prospects markedly improving.

The outbreak of the Ukrainian crisis has changed profoundly the global and the European economic landscape, by fuelling uncertainty, increasing price levels and volatility, accelerating inflation, with wholesale energy prices hitting record-breaking highs, aggravating supply chain disruptions, and damaging global production conditions. This new, exogenous supply-side shock to the world economy came at a time that Greece had almost fully recovered GDP losses caused by the pandemic and anticipated robust growth for 2022, supported by the favourable carry-over effect from a better-than-anticipated economic recovery in 2021; further increases in investment, exports and employment, and the implementation of its National Recovery and Resilience Plan (NRRP), Greece 2.0.

The main economic impact of the war is expected to come through the increase in global economic uncertainty and escalation of energy prices (natural gas, heating oil, electricity, fuels, and lubricants) and food prices, and the consequent rise in commodity prices. Nevertheless, well-targeted support to vulnerable households and businesses overly exposed to the energy crisis (in the form of fuel rebates, subsidy for households' and businesses' electricity and natural gas bills and heating allowance) can partly offset the negative impact of the acute inflationary pressures on growth. The aforementioned measures, coupled with the remaining pandemic-related measures, new relief fiscal measures, such as the reduction in property tax (ENFIA), and the increase in the minimum wage effective as of 1 May 2022 are expected to mitigate the forecasted slowdown (relative to initial projections) of economic growth in 2022. Real GDP is now expected to continue growing solidly by 3.1% in 2022, albeit at a slower pace than the DBP 2022 forecast of 4.5%. Labour market conditions are also expected to continue improving in 2022: Employment (on a national basis) is estimated to increase by 2% amid further expansion of economic activity. Similarly, in 2022 the LFS unemployment rate is estimated to de-escalate further to 13.9%. On the other hand, estimations for HICP inflation point to a sharp increase to 5.6% in the current year, mainly on account of the rising trend in imported energy prices since the end of 2021, further intensified due to the Ukraine war.

Going forward, the Greek economy is projected to gather strong pace in 2023, with real GDP expanding by 4.8%. HICP inflation is expected to moderate to 1.6%, given the high price increases observed in 2022. In the medium-term, growth prospects are expected to remain highly positive, on account of the pursued broad economic and institutional transformation of the Greek economy towards a more extrovert, competitive, green, and digital economic model. In this context, real GDP is projected to grow by an average annual rate of 3.4% in 2024 and 2025, with private consumption and investment contributing cumulatively equally to GDP growth, and exports of goods and services expected to grow at a faster rate. Total employment is projected to increase by 1.3% on average in the medium-term, while unemployment is projected to steadily decline throughout the horizon period, by the end of which

(2025) it is expected to be lower than its 2021 level by approximately 4 percentage points. Finally, in 2024-2024 HICP inflation is expected to equal 1.7%, under the assumption of de-escalating energy prices and normalization of supply disruptions.

Overall, despite the significant adverse impact of the Ukraine war has been causing on the global economy, which is likely to extend well beyond the immediate future, the Greek economy is expected to display a similar degree of high resilience as the one it displayed over the pandemic crisis. As far as the medium-term is concerned, this expectation is largely based upon an ambitious, wide-ranging reform agenda whose ownership the Greek authorities fully possess. As mentioned above, the Ukraine war and its geopolitical consequences have caused a major global supply shock, adversely affecting growth, employment and living standards primarily through higher price levels and production costs. The most effective medium-term response to such a major negative supply shock is structural reforms increasing inclusive long-term growth through productivity, capital accumulation and long-term employment. As discussed earlier in this introduction, there is already evidence that the reforms implemented by Greek authorities are building up a critical mass of production capacity improvements, with demonstrable impact on productivity, competitiveness, employment, and inclusivity. Greece intends to build on this progress, through reforms and investments included in the Greek NRRP and other significant reforms pursued outside the NRRP's context.

Greece's NRRP is now under implementation and fully on track. Greece is one of the first four member-states to have had their first disbursement request submitted, approved, and released in April 2022, for an amount of EUR 3.56 billion (net of prefinancing). To date, 173 NRRP planned projects and subprojects have been incorporated into the implementation phase, of total face value equal to EUR 8.5 billion. The NRRP's Loan Facility is also fully on track. The Loan Facility aims to help closing the significant investment gap created in Greece over the past decade, by means of financing at viable interest rates productive private investments in five areas of sustainable high-value-added areas, namely green, digital, openness, innovation and scaling-up projects. The first loan from the RRF Loan Facility has now been approved and relates to the creation of an underground (green) mine of zero CO<sub>2</sub> emissions using a variety of sustainable technologies, as well as the installation of a 1 MW photovoltaic system for the purpose of net metering.

Following a brief review of the macroeconomic context and prospects in chapter 2, chapter 3 of this NRP discusses Greece's key reform policy response to major economic, employment and social developments and challenges, in a wide range of policy areas. Format-wise, chapter 3 discusses separately reforms implemented in the context of Greece 2.0 and those implemented outside of this framework. In chapter 4, the NRP discusses Greece's progress towards meeting the objectives it has set in relation to the UN Sustainable Development Goals. Chapter 5 discusses the interface between Greece's reform programme and EU funds, including those received within the context of the RRF, the Partnership Agreement relating to cohesion funds and other Union Instruments. Finally, chapter 6 of the NRP discusses the NRP's Institutional processes and stakeholder involvement.

## 2. Macroeconomic context and prospects

### 2.1 Macroeconomic developments in 2021

The Greek economy returned to 8.3% real GDP growth in 2021, almost fully offsetting the 9% contraction recorded in 2020, on the back of the reopening of the economy, timely, targeted and temporary policy support measures and the recovery of tourism receipts to almost 60% of pre-pandemic levels. The main drivers behind the 8.3% expansion of real output in 2021, were private consumption, exports of goods and services and gross fixed capital formation.

Real private consumption bounced back strongly (7.8%) and made the largest positive contribution to growth (5.5 percentage points, pps), driven by the release of pent-up demand, high accumulated private savings during the lockdown period and the ongoing recovery of the labour market. At the same time, gross fixed capital formation closed the gap to its pre-pandemic level in 2021, having recorded a double digit increase compared to 2020 (19.6%) and 2019 (19.3%). Increased investment spending was mainly underpinned by machinery and transport equipment as well as residential construction. Also, Foreign Direct Investment (FDI) increased to record levels (5.1 bn euros or 2.8% of GDP), with real estate activities representing the highest share of total FDI. In parallel, real public consumption continued to provide support to the economy (increasing by 3.7%), standing above its pre-pandemic level, amid increased government spending to address the negative impact of the ongoing pandemic.

In addition, real exports of goods and services performed strongly (increasing by 21.9%) after a sharp decline in 2020. Exports of goods continued to overperform (9.7%) amid the recovery of international trade, despite ongoing supply chain disruptions due to the pandemic, while exports of services recovered considerably (38.1%), thanks to a stronger-than-expected rebound in tourism and robust transport activity. On the other hand, real imports of goods and services also showed a strong expansion (16.1%) in line with domestically driven recovery, weighing on growth. Nevertheless, the breakdown by use with respect to imports of goods shows that ‘capital goods & transportation equipment’, which are investment-oriented and cover more than 20% of total imports, increased by more than 22%.

According to Bank of Greece data, the current account deficit showed improvement relative to 2020 (-5.9% of GDP vs. -6.6%), mostly due to the recovery of travel and sea transportation receipts and the steady growth of exports of goods, which partly offset the increase of imports amid the restart of economic activity.

Economic recovery in 2021 was underpinned by a steadily improving labour market. Total employment (on a national account basis) increased by 0.5% in 2021 (-1.2% in 2020), mainly driven by employment growth in real estate activities, agriculture and industry, while the unemployment rate (Labour Force Survey, LFSdata) continued its downward trajectory (14.7% in 2021, down from 16.3% in 2020). Additionally, employment gains thanks to the restart of economic activity and fiscal stimulus led to a positive annual growth rate for compensation of employees (1.7%).

Headline HICP inflation turned positive in 2021 (0.6%), after the abrupt decline in 2020 (-1.3%). Inflation moved into positive territory at the end of the second quarter, as economic activity recovered and

accelerated henceforth, mainly due to lingering supply chain disruptions and increasingly strong increases in international energy prices. Energy inflation (with a weight of 10.93% in the HICP) was the main driver of headline inflation, followed by food inflation (with a weight of 20.89%). The latter has also been increasing rapidly due to the increase of global commodity prices, affected by the ongoing supply chain constraints and lately by the war in Ukraine.

## **2.2 The Energy and the Ukrainian crises in 2022**

The outbreak of the Ukrainian crisis, since February, has changed profoundly the global and the European economic landscape, by fuelling uncertainty, increasing price levels and volatility, accelerating inflation, with wholesale energy prices hitting record-breaking highs, aggravating supply chain disruptions, and damaging world production. The new, exogenous supply-side shock to the world economy came at a time that Greece had almost fully recovered GDP losses caused by the pandemic and anticipated robust growth for 2022, supported by the favourable carry-over effect from a better-than-anticipated economic recovery in 2021; further increases in investment, exports and employment, and the implementation of the Recovery and Resilience Plan (RRP). The main economic impact of the war is expected to come through the increase in global economic uncertainty and escalation of energy prices (natural gas, heating oil, electricity, fuels and lubricants) and food prices, and the consequent rise in commodity prices, as it is already visible in the latest readings of HICP inflation. As in all member states, in the first quarter of 2022 HICP inflation has soared, reaching to 8% (y-o-y) in March. This is substantially above the 5.5% y-o-y increase recorded in January 2022, and the highest inflation reading since 1995. Looking ahead, HICP inflation is projected to increase by 5.6% (yearly average) in 2022, including a 4.8% impact from the energy and the geopolitical crises. In 2023 HICP inflation is projected to de-escalate down to 1.6%, as the double shock gradually fades out.

The impact on the external sector is expected to be less severe, despite sizeable energy imports from Russia (21.5% of Greece's total energy imports in 2021), as Greece's exports to Russia and Ukraine and tourist receipts from both countries constitute a small fraction of total exports. On the other hand, the indirect effects through spillovers from EU and other trading partners, due to a slowdown in global growth momentum, are expected to be more substantial.

The impact on households and businesses is expected to be moderated with well-targeted government support measures, partly offsetting the negative effect of acute inflationary pressures. One-off policy support measures concern fuel rebates, subsidies for electricity and natural gas bills and heating allowances. These measures, coupled with policy measures such as the new reduction in property tax (ENFIA), and the increase of the minimum wage effective as from 1 May 2022 are expected to mitigate the slowdown (relative to pre-war projections) of economic growth in 2022.

The implementation of the Greek NRRP constitutes a key factor behind the expected economic growth, as it is estimated to add 1.9 pps in 2022. Economic growth will also be facilitated by the still supportive fiscal stance at the European level in 2022, the extension of the reinvestment horizon for the Pandemic Emergency Purchase Programme (PEPP) until at least the end of 2024, including purchases of Greek government bonds, as part of PEPP reinvestments.



In light of the above, according to the baseline macroeconomic scenario, in 2022 real GDP is expected to continue growing solidly by 3.1%, albeit at a slower pace than the DBP 2022 forecast of 4.5%. Final domestic demand is expected to remain the main driving force behind real GDP growth, with a positive contribution of 2.5 pps. Investment growth in particular is expected to record strong growth in 2022. The same applies to exports of goods and services.

Among components, real private consumption is estimated to contribute the most (1.7 pps), growing by 2.4%, despite the negative impact of the energy crisis on disposable income. The projected consumption increase is largely due to a strong carry-over effect from 2021, temporary fiscal policy support aiming to shield households' disposable income from the crisis immediate impact mainly on energy prices, steadily improving labour market conditions and increasing employment, and an anticipated lowering impact of the pandemic in the course of the year. By contrast, public consumption is expected to decline by 1.9% amid high base effects.

Gross fixed capital formation is estimated to rise significantly by 9.8%, primarily supported by investment in non-residential construction and secondarily by investment in equipment. Against the adverse global economic conditions and elevated uncertainty, the implementation of NRRP investments and reforms combined with accommodative fiscal policy and the continued supportive stance by the ECB are expected to sustain investment activity to robust levels.

With regards to the external sector, exports of goods and services are set to continue to rise robustly (5.6%), albeit at a slower pace than expected prior to the energy and the geopolitical crises, causing more protracted supply chain disruptions and adverse effects on foreign demand. Net exports of services are expected to remain strong and contribute positively to real output growth by 2.2 pps, with tourism receipts assuming to reach 80% of the corresponding receipts of 2019. By contrast, net exports of goods are estimated to have a negative contribution to GDP, due to rising import prices as well as increasing needs for investment in equipment in the context of the implementation of the NRRP.

Labour market conditions are expected to continue improving in 2022. Total employment (on a national basis) is estimated to increase by 2% amid further expansion of economic activity, with employment gains mainly concerning private sector employees and self-employed. Similarly, in 2022 the LFS unemployment rate is estimated to de-escalate further to 13.9%. Against the backdrop of soaring prices weighing on disposable income, the increase in the minimum wage effective as from 1 May 2022 is set to support purchasing power. As a result, compensation of employees is estimated to increase by 4.1% in 2022, also reflecting positive developments in productivity, the increase of which is projected at 1.1%.

### **2.3 Medium-term growth prospects**

Against the backdrop of elevated uncertainty caused by the ongoing geopolitical crisis and the intensity of the energy crisis, a reform-oriented economic policy agenda and a prudent yet growth-friendly fiscal policy, balancing the requirements of adjustment to evolving circumstances and the need for ensuring medium-term fiscal sustainability, constitute sine qua non prerequisites for maintaining high and sustainable growth.

In this context, fiscal policy is aiming at fiscal consolidation through the achievement of realistic primary surpluses from 2023 onwards, while high-value added investments and structural reforms based on the efficient use of the RRF resources will ensure the expansion of the economy's productive capacity. The main objective of the overall economic and reform policy mix is to achieve a shift of the Greek economy's growth model towards a more investment- and exports-driven output composition in the medium and long-term, with multiple beneficial effects on potential growth, structural competitiveness, employment and social cohesion, thus helping to address legacy stock macroeconomic imbalances and increase economic and social resilience. To that end, the regain of the investment grade status is set to play a significant role. From 2023 onwards, the fiscal projections include the maintenance of two of the growth-friendly fiscal policy measures adopted during the pandemic crisis, namely the reduction in social security contributions by 3 pp and the current policy on the solidarity tax, stimulating employment and productivity.

On the basis of the above, the Greek economy is projected to gather strong pace in 2023 and continue along a solid growth path thereafter, with real GDP expanding by 4.8% in 2023 and by 3.9% on average over the period 2023-2025, mainly driven by investment and exports growth. Ambitious investments and structural reforms in the areas of green economy, digital transformation, growth-friendly business environment, export capacity, labour market and social cohesion are expected to facilitate a broad economic and institutional transformation of the Greek economy towards a more extrovert, competitive, green and digital economic model, overall boosting potential growth and reducing further poverty and income inequalities.

Final domestic demand, primarily through investment and secondarily through private consumption, is expected to add 3.6 pps on average to real growth over the period 2023-2025, mainly driven by the RRP implementation (4.1 pps cumulative impact) and increased investment, productivity and employment.

More specifically, private consumption is forecasted to increase by 2.4% on average over the period 2023-2025 on the back of de-escalated energy and food prices and a further upturn in employment. By contrast, public consumption is projected to stay stable during the medium-term period, consistent with fiscal policy sustainability.

Gross fixed capital formation is projected to increase by an average double-digit rate of 13.1% in the medium-term, also backed by the RRF funds, including private investment to be financed through the NRRP's Loan Facility. On the external sector, exports of goods and services are forecasted to increase on average by 5.6% in the medium-term. However, as the robust growth of domestic demand fuels imports of goods and services (4.3% on average), the contribution of net exports to real GDP is forecast to be marginal.

Total employment is projected to increase by 1.3% on average in the medium-term, while unemployment is projected to steadily decline throughout the horizon period, by the end of which it is expected to be lower than its 2021 level by approximately 4 percentage points.

HICP inflation is expected to moderate to 1.6% on average, under the assumption of de-escalating energy prices and normalization of supply disruptions.

**Table 1: Key annual macroeconomic indicators and forecasts (% annual changes, constant prices)**

	2020	2021	2022	2023	2024	2025
Real GDP	-9,0	8,3	3,1	4,8	3,5	3,3
Private consumption	-7,9	7,8	2,4	2,9	2,3	2,0
Government consumption	2,6	3,7	-1,9	-0,8	0,3	0,7
Gross fixed capital formation	-0,3	19,6	9,8	21,5	9,2	8,6
Exports of goods and services	-21,5	21,9	5,6	6,2	5,6	4,9
Imports of goods and services	-7,6	16,1	2,9	5,3	4,0	3,7
GDP deflator	-0,8	2,1	4,5	1,6	1,7	1,8
HICP	-1,3	0,6	5,6	1,6	1,7	1,7
Total employment*	-1,2	0,5	2,0	1,8	1,0	1,0
Unemployment rate*	13,9	12,7	12,0	10,4	9,5	8,6
Unemployment rate (LFS)	16,3	14,7	13,9	12,2	11,2	10,2

(\*) On a national accounts basis.

Source: Annual National Accounts (Hellenic Statistical Authority), estimates/projections of the Ministry of Finance for the years 2022-2025.

### 3. Key policy response to major economic, employment and social developments and challenges

#### 3.1 Fiscal policy and fiscal governance, including measures to ensure long-term sustainability of public finances while enhancing investment

##### Part A - Introduction

Based on the country-specific recommendations (CSRs) for Greece, the Ministry of Finance promotes efficient public financial management and governance, as well as suitable fiscal measures, to ensure the necessary (for managing the economic cycle) fiscal space and long-term sustainability of public finances, as well as enhance long-term output through investment and higher employment. Policies monitored under enhanced surveillance also continue to be pursued and are substantially reinforced through the support of necessary reforms and investments under the Recovery and Resilience Plan (RRP), in particular in the key area of public financial management, with the aim to improve further the underlying fiscal conditions and the confidence of investors and financial markets. Reforms that are being launched and implemented, either as part of Greece's RRP or beyond, include, inter alia, the gradual transition to accrual accounting in the public sector, the upgrade of fiscal management information systems, performance budgeting, spending reviews, the adoption of measures to increase electronic transactions, a new framework for combating smuggling, a modern institutional framework for state-owned enterprises, the minimization of arrears, as well as reforms of the Independent Authority for Public Revenue (IAPR).

##### Part B - RRP related

Under the Greek Recovery and Resilience Plan (RRP), authorities continue to work on the **accounting reform**, which aims at the gradual transition to accrual accounting based on International Public Sector Accounting Standards (IPSAS) and the compilation of consolidated financial statements of the General Government, in order to improve accountability, transparency and decision making. The reform also contains the modernization and expansion of the current Integrated Information System of Fiscal Policy (OPSDP), which will cover all the economic/ fiscal transactions of Central Administration entities and which comprises of 2 lots. Lot1 is related to studies, development of the new system, software licenses and training, while Lot2 is related to consulting, quality control and supporting services for Lot1. Regarding the process, the development of the accounting standards has already begun and is implemented in-house. The invitation to tender for the GOV-ERP was published and the contractor has been selected. The pilot training of GAO's officers on IPSAS has already been completed, while the pilot training of officers of the ministries' Financial Services on accounting reform and public financial management is in progress since Q2 2021, financed by DG Reform. The training support will last, at least, up to the completion of the reform. The next steps concern the gradual publication of the basic accounting policies (standards) up to the end of 2022, the contract award for the new GOV-ERP system during Q2 2022 and the contract award notice for all subprojects of the Digital Transformation of Fiscal Management and Supervision project, by the end of Q4 2022. Finally, a part of the above reform is the introduction of the electronic invoicing of products and services provided to the State, in the context of

which all private sector entities that will transact with the public sector will soon be obligated to send invoices in an electronic way.

Authorities are also implementing a reform with the aim to combat tax evasion and create fiscal space through the incentivization of **electronic transactions** by consumers in selected categories of expenses, with a view to reach EU average levels. At the same time there is an ongoing effort to upgrade the electronic transaction ecosystem in order to simplify the administrative processes between businesses and the Independent Authority for Public Revenue (IAPR). The reform is expected to be broadly neutral in fiscal terms since any loss of personal income tax revenues from the incentives will be counterbalanced by increased VAT and corporate income tax revenues due to the reduction of tax evasion and the strengthening of tax compliance. The regulatory part of the reform is completed, as the primary and secondary legislation have already been published in the Official Journal. According to the measures, 30% of the expenses incurred with electronic means in 20 expenditure categories will be deducted from the taxable income of the taxpayer, with a maximum amount of EUR 5,000 per year, for the period 2022-2025.

Furthermore, the authorities are progressing with the reform of the **interconnection of cash registers and points of sale (POS) terminals** with the tax authorities (IAPR), in order to enhance transparency, combat tax evasion and create fiscal space. The project includes the preparation of specifications for the interconnection of cash registers with POS terminals, in order to certify that every transaction will be recorded in the cash register and the data will be transmitted in almost real time to the IAPR. At the same time, it is envisaged to introduce incentives for the corresponding adaptation of small and medium enterprises to the new requirements and the supply of the relevant equipment. The companies that have electronic tax mechanisms had to upgrade them by the end of March 2022, in order to produce receipts with integrated tax identification and receipt identification code and to be able to transmit their transactions to the relevant IAPR platform. To that end, the Greek authorities successfully completed the publication of the Joint Ministerial Decision for the electronic data transmission to IAPR, (based on article 15, Law 4174/2013), which sets out the key features necessary for the interconnection. The next steps concern the issuance of an IAPR Decision on the technical requirements (based on article 12, Law 4308/2014) by end May 2022, as well as the adoption of legislation for the implementation of sanctions in the case of non-transmission of data by the companies to the myData platform. At least 500,000 businesses are expected to have connected their cash registers online to IAPR by Q2 2023.

Another reform under the Greek RRP concerns the establishment and implementation of the **new framework for combating smuggling**, focusing especially on products subject to excise duties (tobacco, alcohol, energy). The reform aims at limiting revenue loss, at protecting society from the use of illegal, adulterated, counterfeit, dangerous and environmentally harmful products, as well as at safeguarding fair market competition and consumer protection. This framework will modernise the operation of customs by improving their tracking systems, their audit processes, and their equipment in order to provide reliable audits. Moreover, it entails the redesign of the information systems of IAPR, to collect combined information from international databases and to use them to maximise the results of investigative activities. The authorities continued the work on this reform, preparing roadmap for the issuance of the required secondary legislation, the bulk of which will be in place by Q2 2023. In parallel,

actions are ongoing for the modernization and the optimal use of the prosecution tools of smuggling (technical means for customs controls).

Authorities also aim to create a **modern institutional framework for state-owned enterprises**, compatible not only with the modern economic environment, but also with the need for fiscal resilience, while at the same time striking a balance between economic efficiency and social fairness. In this context, Greek authorities are currently working on the codification, improvement, and modernization of the institutional framework which sets corporate governance guidelines and specific rules for the management of state-owned enterprises. Legislation is expected to be adopted in Q2 2022, while the development of a digital register of state-owned enterprises is expected to be completed by Q4 2022.

Moreover, authorities are also progressing with an investment that will enable the **Hellenic Consignment Deposit and Loans Fund (CDLF)** to increase its operational efficiency, reduce costs, increase the quality of services provided and provide significant value to other public entities, by granting investment loans to local governments and other public sector entities in Greece. The investment concerns the CDLF's digital transformation, including the digitisation of loan files and the implementation of an Integrated Information System (IIS) including sub-systems to support critical business functions, as well as the implementation of an Enterprise Resource Planning (ERP) system and a Human Resources Management System (HRMS). An invitation to tender has already been published for the digitisation of loan files and offers have been submitted, while the publication of an invitation to tender is expected until the end of April 2022 for the IIS and until the end of May 2022 for the ERP system and the HRMS.

#### **Part C - Not RRP related**

Under the 2022 Budget, Greek authorities have adopted a **performance budgeting** framework, completing the presentation of the budget on the basis of a program classification that has been formulated and supported by performance data. The budget is accompanied by performance information for the evaluation of each program (strategic goals, objectives, KPIs etc). The above marks the completion of the first stage of the transition to performance budgeting, the so-called presentational approach. As of 2022, the Ministry of Finance will gradually begin monitoring the execution of the programs and prepare the transition to performance informed budgeting. More detailed information is provided on Table 1 – 2021 CSR 1, subpart 4.

Furthermore, **spending reviews** were utilised, as the main budget tool towards achieving a more efficient use of the available resources by the line Ministries and other General Government entities and the creation of fiscal space, mainly by prioritising interventions that can increase public revenues or decrease expenditure. In this context, all entities continued working in 2021 and 2022 with GAO to improve their performance and the efficient use of their resources through horizontal and sectoral interventions. In addition, special emphasis was placed on the development of green actions that will improve the budget's energy footprint. More detailed information is provided on Table 1 – 2021 CSR 1, subpart 4.

Moreover, the **functional classification** of the budget supports the information needed for international reporting and is developed based on the alignment of the program classification with the CoFoG (Classification of Functions of Government). The road map for achieving this commitment has been prepared in April 2021. The first successfully completed milestone concerned the development of the first level of the functional classification for the 2022 budget. Work is ongoing on the development of the second level of the functional classification in view of the upcoming Medium-Term Fiscal Strategy (MTFS). More detailed information is provided on Table 1 – 2021 CSR 1, subpart 4.

The last reform included in the State Budget 2022 is **green budgeting**, which consists of the presentation and the assessment of the environmental footprint of public policies, in the context of national and international priorities for tackling the effects of climate change. During 2021, GAO in cooperation with the European Commission and the OECD has started the development of the methodology and standards for the depiction of the environmental footprint of the budget. Work is currently ongoing on the formulation of a basic methodology for green budget tagging and the pilot implementation in selected programs. More detailed information is provided on Table 1 – 2021 CSR 1, subpart 4.

Furthermore, the **minimisation of arrears** of General Government entities to third parties improves budget execution and contributes to the strengthening of the liquidity in the economy. A new plan for arrears clearance is being implemented since April 2021, taking also into account seasonal variations. At the same time, a Steering Committee has been established in order to reform the legislative framework for fiscal management in the Central Administration, on the basis of the recommendations of Hellenic Court of Auditors (HCA), with a view to prevent the accumulation of new arrears. The stock of pension arrears has been reduced in line with the action plan through a package of measures and actions, including the full operationalization of the “Control Tower” by EFKA, a modern digital system for monitoring the outstanding pensions and those issued daily by the Organization, the implementation of the IT system for the processing of pension claims (‘Atlas’), the introduction of automated procedures in the pension processing workflow, the use of BI tools and analytics, as well as the involvement of certified lawyers and accountants in the processing of pension claims. As regards non-pension arrears, the stock has decreased significantly through various legislative actions and IT functionalities have been implemented to accelerate the process and to prevent the accumulation of new arrears. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

In the field of tax arrears management, the “centralisation” of critical business processes is a key option to achieve the desired level of compliance. The IAPR pursues a centralised approach to citizens/businesses in the area of collection enforcement as part of the centralisation of such cases in large regional Debt Collection Centers depending on the amount of debt by Tax Identification Number (TIN). The purpose of the new centralised model is to facilitate the collection activities in order not only to achieve higher effectiveness, but also to be able to handle more debt cases. Against this backdrop, the IAPR aims to consolidate the debt collection functions and develop a collection strategy. This consolidation will include extensive data analysis for the initial debtor profiling and their link with effective measures and behavioural analysis techniques. Furthermore, the aim is to reorganise and automate the debt collection processes by developing an “**end-to-end**” **system of debt case management** to ensure adequate monitoring of both the collection processes and the service model for

citizens/ businesses. This system will provide a common updated picture to all parties involved in the collection mechanism and show the current status of each debt case. The system is almost ready and the rollout will be completed by Q3 2022, with some IAPRs services being able to utilise some functionalities from end-April 2022.

The authorities are also progressing on the comprehensive **human resources reform for the tax administration (IAPR)**. The reform is expected to effectively reverse the trend of the staff reduction in the medium run by making it easier for the IAPR to attract and retain high calibre staff. The supplementary wage grid, a key element of the overall human resources reform for the IAPR, which came into effect on 1st June 2021, has been successfully implemented to all staff of the IAPR on 1st September 2021. IAPR's HR reform will be completed with the implementation of the new integrated Human Resources and Payroll Information System, which involves the development of an Integrated Information System for all human resource management processes of the IAPR, which will incorporate job descriptions, employees' performance evaluations as well as payroll procedures. The gradual completion of this project is expected by the end of 2023. It is worth noting that the IAPR is the first public entity in Greece to adopt a grading and remuneration policy based on job descriptions and responsibilities as well as staff evaluation. Concerning staffing, in progress (publication of the Notice 1Γ/2022) is the written competition for 822 positions in IAPR and the competition will be conducted in September 2022. Moreover, there are in progress several other actions for new recruits in IAPR, in cooperation with ASEP & OAED, as well as by utilising the personnel mobility mechanism of the Greek Public Sector. Amongst the most important is the new request that was sent to the Ministry of Interior for 675 new inflows (permanent staff, in addition to the previous request for 630 positions) through written competition or Runner-ups of the 1Γ/2017. Moreover, the Four-year Staffing Planning 2023-2026 (08/03/2022) was sent to the Ministry of Interior within the framework of the current institutional framework (law 4590/2019). Also, the final list of candidates for the Notice ΣΟΧ 1/2021 was published for 242 new fixed term employment contract staff using runner-up procedures. All the above measures, along with ongoing recruitment processes, are expected to substantially upgrade IAPR's overall human resources. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

Furthermore, in an effort to boost the use of the electronic means of payment in order to further combat tax evasion and create fiscal space, the IAPR has proceeded to **changes in the tax lottery system**, with increased draws and prizes. In February the first tax lottery of the year 2022 was carried out based on this new regulatory framework, in an upgraded digital environment. More detailed information is provided on Table 1 – 2019 CSR 1, subpart 1.

The new **strategic plan of HCAP** lays the foundations for public enterprises to become more competitive and thus to maximise public property value and be a lever for the transformation of the economy. The plan also helps enhance performance monitoring, operational efficiency, quality of services provided, as well as corporate governance. The strategic plan was approved by the General Assembly of HCAP on 31 January 2022 and its implementation has started. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.



In the field of **public debt**, in March 2022 Greece repaid - two years before its obligation- its entire outstanding debt to the International Monetary Fund (IMF), totalling EUR 8.2 billion. This was the third consecutive early repayment of the IMF following the ones that took place in November 2019 and March 2021. Furthermore, the Eurogroup meeting held on 25 February 2022 endorsed Greece's plan to proceed to a partial prepayment of its loans under the Greek Loan Facility (GLF) at the end of this year, subject to national procedures and the relevant approval by EFSF and ESM decision-making bodies. These developments imply substantial benefit for Greece both in terms of budget savings that total EUR 230 million and in terms of the positive signalling effect in view of Greece's objective to regain investment grade status. Moreover, it strengthens the public debt profile through the reduction of interest rate and foreign exchange risk, the reduction of short term refinancing risk, as well as the improvement in key public debt sustainability indicators, such as the annual gross financing needs ratio, signalling that Greece's future economic prospects are considerably strengthened.

### **3.2 Health care and long-term care, including measures to strengthen the resilience of the health system and ensure adequate and equal access to healthcare**

#### **Part A - Introduction**

As a consequence of the severe consolidation measures taken in the aftermath of the 2009 financial crisis in Greece, healthcare expenditure has remained low, falling well behind the EU average, even though public spending was raised due to the pandemic. An elaborate reform programme in public health has been planned, to support an extensive national plan for public health, address challenges and modernise primary healthcare, support the digital transformation of healthcare, modernise the National Healthcare System and promote mental healthcare.

#### **Part B - RRP related**

Emphasising prevention, the mass screening program to be funded by the National Prevention Program "Spyros Doxiadis" (NPP), is focused on the early detection of common Non-Communicable Diseases (NCDs) in the general population. The program addresses the unmet needs for **early identification and effective secondary prevention of diseases** such as cardiovascular disease and cancer that are responsible for the vast burden of premature deaths in Greece. It encompasses a comprehensive screening program<sup>1</sup> of universally accessible preventive tests for breast, cervical and colorectal cancer, cardiovascular risk, and the early detection of abdominal aortic aneurysm (-to be implemented in high-risk groups). The program will contribute to the early detection of common NCDs and decreased mortality due to these health conditions. Moreover, the program will raise awareness about early prevention of cancer and cardiovascular disease and shape the social norms about prevention amongst

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<sup>1</sup> 1. Free of charge (universally accessible) Cervical Pap-smear test  
2. Free of charge screening tests for breast cancer (mammography and ultrasound test-in case of findings to be further assessed)  
3. Free of charge colonoscopy for colorectal cancer prevention  
4. Free of charge screening for the Abdominal Aortic Aneurysm  
5. Free of charge Cardiovascular Risk Assessment  
6. Information and Awareness Actions for the NPP

the Greek citizens. In addition, it facilitates access to comprehensive, safe and effective screening to socially disadvantaged groups in an effort to tackle social inequalities in health amongst vulnerable populations. It is estimated that more than 50% of unidentified cases of cancer will be detected due to the mass screening program and more than 4 million diagnostic procedures will be completed within the period of funding from the Recovery Fund. The functional and operational planning was elaborated and finalised. By Q2 2022 all screening programmes will have been submitted for approval of funding to the competent RRP Authority.

In the field of primary health care (PHC), a strategy covering infrastructure, equipment and organisational restructuring is being implemented. A new law on PHC is expected to be adopted in May 2022. The law introduces changes to ensure equal access to healthcare for all citizens through a personal/family doctor, effective gatekeeping via a referral system that will relieve hospitals from unnecessary patient visits and provides incentives for doctors to enrol citizens in the new PHC system as well as disincentives in the form of increased charges for self-referrals. Complementary to the new law, interventions for the upgrading of infrastructure and facilities of PHC to enable the quality improvement of health care services have been planned. The opening of all remaining TOMYs (Greek abbreviation for Local Health Units) will be completed in 2023. At the same time, the upgrading of medical equipment will mainly focus on health centres which stand at the core of PHC. The challenges that this investment comes to address are mainly related to the outdated medical equipment that have been recorded in local PHC settings across Greece. Moreover, the academic curricula for primary health care-family doctors in Medical Schools will be reinforced.

The target for **centralised procurement** is to reach 40% of the total eligible spending. A new legislation for the reorganisation of the National Centralised Health Procurement Authority (NCHPA or EKAPY) has been approved by the Greek Parliament which will enable EKAPY to acquire skilled procurement professionals and develop its digital infrastructure in order to sustain the centralised procurement target on a yearly basis. As far as the target for 2022 is concerned, an adequate number of centralised tenders have been launched and the target will be reached. The upgrade of the digital infrastructure will be partially supported by the RRF.

The financial reengineering of the Greek healthcare system is critical for the sustainability and the quality of the services provided to the Greek population. Apart from the centralised procurement reforms which are already underway, the **implementation of the Greek DRG System** is being accelerated by strengthening the digital infrastructure of the Greek DRG institute-KETEKY (Q2/2025), training adequate number of clinical coders and ensuring that all Greek hospitals will have the appropriate Clinical Information Systems in order to capture the patient journey within the Digital Patient Record (Q2/2025). In the meantime, the process of setting and monitoring hospital budgets will be revised taking into account that some hospitals have already started to adopt the DRG system. These hospitals will be able to set up detailed contracts with EOPYY and create annual budgets based on these contracts starting from 2023.

At the same time, the plan on the digital transformation of health aims to optimise healthcare quality and patient safety with new innovative services. This will help control healthcare spending by

discouraging the overuse of products - especially pharmaceuticals, by improving hospital management, patient's experience, public procurement procedures and by enhancing system functionalities, interoperability and EOPYY's digital transformation. The main objective is to enhance and accelerate the development and adoption of appropriate, accessible, affordable, scalable and sustainable digital health (DigHealth) solutions that will prevent, detect and respond to epidemics and pandemics, and develop infrastructure and applications that will enable Greece to promote health and wellbeing. The innovative digital solutions can enhance quality of life and enable more efficient ways towards organizing and delivering healthcare services.

Moreover, regarding **healthcare quality and patient safety**, the Agency for Quality Assurance in Health SA/ AQAH SA (ODIPY) will develop a Common Assessment Framework (Q2/2025) and the digital infrastructure to collect and analyse the appropriate quality metrics and propose the appropriate changes to the National Health Map (Q2/2025). To this end, close collaboration with the WHO and their Regional Office for Patient Safety and Quality based in Athens will be required.

Furthermore, as regards to the National Health System (NHS), interventions within 80 Hospitals in the country are being envisaged through the RRP. Key activities include construction, maintenance, modernization and expansion, as well as procurement and installation of medical equipment and heavy medical machinery through PPPs (Q4/2025). The upgrade of the system will pave the way for the functional modernisation and dynamic reorganisation of hospital units, to better support citizens and & overall improve the resilience of the health system in Greece. The plan envisages the interconnection of small regional hospitals with larger ones in the urban centres as part of the hub-and-spoke organisation design, to better serve the needs of citizens in each area. Changes are also intended in the enrolment to medical specialties in order to connect supply with the needs of the national health system.

Apart from the above, the establishment of eight reference sites and of a national registry for patients treated through home care is being promoted. The latest developments in telemedicine coupled by the expected investment in clinical information systems, which enhance the use of electronic patient records by healthcare professionals, provide the opportunity to explore new models of care which have the capacity to reduce hospital costs, increase patient safety and quality of care. Hospital at home has been used in a limited number of patients, mainly paediatric in northern Greece, but there is substantial evidence that other patient groups could benefit from such a service. The establishment of these eight units providing hospital at home services will be completed by Q2/2025.

The mental health policy reform aims to strengthen the operational framework of mental health and detoxification services, so as to provide comprehensive, integrated and responsive services in community-based settings, ensuring equal access to the whole population through the digitalisation of relevant services, and implementation of strategies to promote, prevent & reduce stigmatization and increase support to vulnerable groups of the population. Within this framework, the following projects are included: 1) Mental health structures and services for patients with dementia and Alzheimer's disease 2) Mental health structures and services for patients with autism 3) Mental health structures and services for patients in the age group of children, adolescents and young adults 4) Mental health structures and services for the support of employed and unemployed people, migrants and refugees 5)

Training programs in mental health issues and treatments targeted to health personnel 6) Psychoeducation and psychosocial support of the general population and patients with chronic diseases 7) Creation of programs for the timely intervention in psychosis in health care units 8) Development and operation of communication programs to raise awareness regarding the mental health of the different vulnerable groups of the population 9) Actions for the support of dependent individuals. By the end of Q4/2022 the above structures and services will be rendered operational.

### **Part C - Not RRP related**

**Reinforcing social welfare institutions** to deal with the consequences of the Covid-19 pandemic is one of the main priorities of Greece. The COVID-19 pandemic has caused immense human suffering and pushed health systems to their limits. Social welfare institutions are needed to ensure the health, work and social inclusion of citizens by implementing general and specific measures to reduce the risk of dispersal and address the economic and social consequences of COVID-19. Greek authorities have supported fifteen social welfare institutions by recruiting 462 healthcare workers, to deal with the consequences of the Covid-19 pandemic.

These fifteen Social Welfare Institutions are based all over Greece. The reinforcement of these Institutions with temporary healthcare workers covers the increased urgent and unforeseen needs that have arisen and are directly linked to addressing the consequences of the prevention of Covid-19 so that these institutions can successfully fulfil their role as care providers to vulnerable social groups. Since the COVID-19 pandemic is not over yet, the next steps concern the continuity of the reinforcement of the fifteen Social Welfare Institutions at least by the end of the September of 2022. More detailed information is provided on Table 1 – 2020 CSR 1, subpart 2

Furthermore the **program accessibility and support infrastructure for people with mobility and sensory impairments** aims to finance small and large scale adaptations in public and private buildings in order to make them accessible for persons with disabilities. The interventions will be made in residences, private and public workplaces and in the branches of the Social Welfare Centers of the regions. Data are being gathered concerning the accessibility of all the branches of the Social Welfare Centers including the National Institution for Persons with Hearing Impairments (EIK) and the Centre for Training and Rehabilitation of Persons with Vision Impairment (KEAT). Based on this data the needs of each branch will be assessed in order to determine and schedule the necessary interventions. More detailed information is provided on Table 1 –2020 CSR 1, subpart 3.

### **3.3 Implementation of employment- supporting measures such as short-time work schemes**

#### **Part A - Introduction**

Despite a significant reduction over the last three years, unemployment remains one of the most pressing challenges and a top priority in the reform agenda of the Greek government. Furthermore, and despite having entered a clear downward path, high unemployment among the young, women, and vulnerable groups, as well as high long-term unemployment continue to be persistent challenges, which the Greek reform programme aims to tackle. To that end, a reform of Active Labour Market

Policies and of Passive Labour Market Policies is being implemented, including programmes subsidising employment in the private sector for unemployed persons, as well as projects of upskilling and reskilling of the labour force. Targeted programmes for special groups have been developed (i.e., young people, young entrepreneurs, first entry to labour market of persons aged 18-29, long-term unemployed people aged 55-67). Also, to address the labour market challenges caused by the Covid-19 pandemic, a short-time work scheme has been introduced and implemented, in tandem with a parallel State financial support mechanism.

#### **Part B - RRP related**

A twofold strategy, aiming at reforming and thus enhancing the efficiency of active as well as passive labour market policies is being implemented within the context of the Greek NRRP.

First, a **reform of Active Labour Market Policies (ALMP)** aiming to maximise the effectiveness of the ALMP toolbox through the redesign, strengthening and overall reform of its ALMP portfolio, coupled with significant investments in programmes subsidising employment in the private sector for unemployed persons, the upskilling and reskilling of the labour force, as well as the opportunity for gaining work experience through paid full-time internships. Subprojects include a **comprehensive upskill/reskill & short-term employment programme for unemployed individuals** that will provide 15,000 unemployed workers aged 25-45 with intensive upskilling/reskilling in high-demand activities. , the **employment-enhancing action for 15,000 unemployed people aged 25-45** where the submission of applications is expected within the 2nd half of 2022, a **business subsidy programme aimed at hiring 10,000 unemployed people facing significant labour-market (re-)integration barriers**, the a **pre-work programme for 10,000 unemployed young people aged 18-30** (Q2 2022), a **business subsidy programme aimed at hiring 10,000 long-term unemployed persons (LTU) aged 45+ in geographical pockets of high unemployment** (Q2 2022) and the and a **scale-up of open-framework pilot programmes**. The latter sub-project focuses on three high-unemployment areas with different characteristics, namely a local economy in transition, a local economy experiencing rapid de-industrialization and a heavily seasonal local economy, while it also targets poverty reduction and social inclusion with a total budget estimated at EUR 30 million.

ALMPs also include a **business subsidy programme aimed at hiring 5,000 unemployed people in green economy sectors, with particular emphasis on women** aims at supporting the transition to the green economy. The call for this programme is expected to be published within Q3 2022.

Complementary to the ALMP reform, the **reform of Passive Labour Market Policies (PLMP)** aim to support the transition to employment and the integration of the unemployed into the labour market. To that end, the following projects will be implemented: (i) New framework of mutual obligations between the Public Employment Service (DYPA) and the unemployed; (ii) Unification and rationalisation of unemployment insurance benefits and allowances; (iii) Removal of disincentives for upskilling and reskilling; (iv) Recalibration of unemployment benefits aiming to strengthen the safety net and incentivise speedy transition from unemployment back to employment; (v) Reinforcement of the long-term unemployment benefit aimed at more effectively supporting current LTU and accelerating their

(re-)integration into the labour market; (vi) Reinforcement of the long-term unemployment benefit, aiming at increasing the number of new LTU benefit-receiving beneficiaries and more effectively supporting them to be (re-)integrated into the labour market. The relevant primary law has already been voted (Law 4921/2022) and the implementation will proceed in the following months.

### **Part C - Not RRP related**

The Covid-19 pandemic has caused an unprecedented labour market shock. To support employment, labour income and businesses to cover wage costs at a time of extensive mobility restrictions and reduced firms' turnovers, the Government introduced a number of reforms, including the short-term work benefit **SYN-ERGASIA scheme**, implemented since 15 June 2020. Employers participating in the scheme under certain criteria may reduce the working time of all or part of their full-time workers by up to 50% of their normal working hours. Workers receive State financial support for short-term employment (60% of their net salary) for the period during which they do not provide work. In the event that the net salary of the worker (i.e., the total amount of the part of the salary paid by the employer and the part of the salary paid by the State), after the above adjustment, is less than the net statutory minimum salary or daily wage, the difference is covered by the State budget. Social security contributions are also covered by the State. A non- dismissal clause is being implemented for the number of workers participating in SYN-ERGASIA. The number of employees benefiting from SYN-ERGASIA had been decreasing from November 2020 until March 2021 but started to increase since April 2021, reaching almost 38,000 employees in September 2021. The scheme is planned to remain active until 31.05.2022. More detailed information is provided on Table 1 –2020 CSR 2, subpart 1.

Also introduced during the Covid-19 pandemic, the **labour contract suspension scheme** focused on supporting the labour market, by averting dismissals, maintaining employment, social cohesion and participation in the labour market. The scheme provided for a payment of a monthly special purpose compensation (EUR 534) to workers of various statuses and categories, whose employment contracts were temporarily suspended due to the pandemic. The labour contract suspension scheme, combined with special purpose compensation, was implemented from March 2020 to September 2021, and in January 2022.

The Open programme of 100,000 new subsidised jobs implemented since 1 October 2020 provides incentives to employers to create new jobs in order to stimulate employment, and support labour incomes in light of the effects of the COVID-19 pandemic. The purpose of the programme was to create 100,000 new jobs, by subsidising social security contributions (both employers' and employees'), regardless of the amount of the monthly salary for six months, in companies-employers of the private sector. Data assessment following the introduction of the programme led to its expansion by 50,000 positions, as the number of 100,000 job positions under the initial programme was reached in December 2021. More detailed information is provided on Table 1 –2020 CSR 2, subpart 1.

With a particular view to tackling the persisting challenge of youth unemployment, Greece has introduced and implements the **PROTO ENSIMO** programme since 1 January 2022. The programme aims to facilitate the first entry of persons aged 18-29 into the labour market and to create new jobs in the

private sector, by providing subsidies of EUR 600 (or EUR 300 for part-time employment) to both the young employees and the employers, for 6 months. The number of new jobs created under this program covers part of the number of the new subsidised jobs provided by the expansion of the aforementioned "open program of 100,000 new subsidised jobs" by 50,000 jobs. More detailed information is provided on Table 1 –2019 CSR 2, subpart 7

Another scheme for combating youth unemployment is the **business initiative subsidy programme for the employment of young entrepreneurs** aged 18-29 with particular emphasis on women complementing the **employment action for 15,000 unemployed people aged 25-45** (2nd half of 2022). Applications for both programmes are expected to be submitted during the second half of 2022. More detailed information is provided on Table 1 –2019 CSR 2, subpart 7.

The consequences of unemployment are particularly detrimental for vulnerable social groups. Greek authorities are strongly determined to facilitate action aiming to **integrate persons from certain special categories into employment**. Law 2643/1998 provides for the integration of specific categories of persons (including people with disabilities and their close relatives) into employment through their recruitment as a percentage (7%) of the total work positions of each public service, public corporation and local authorities. In September 2021, a recruitment announcement for about 2000 positions in the public sector, addressed to the beneficiaries of Law 2643/1998, was issued by the Greek Public Employment Service. Among them, 500 positions were addressed to candidates falling under the category of people with disabilities, while 200 positions concerned people having relatives (child, spouse or sibling) with disabilities. The recruitment announcement process and placement of beneficiaries in jobs are expected to be completed within 2023.

Concerning long-term unemployment, an **employment subsidy programme aimed at hiring 8,500 long-term unemployed people aged 55-67** in public sector entities, including public enterprises and local governments is currently in progress. More detailed information is provided on Table 1 –2019 CSR 2, subpart 7.

### **3.4 Incentives to work, job creation, labour market participation and effective activation support**

#### **Part A - Introduction**

Despite significant progress over the last three years, Greece continues to have one of the highest unemployment rates in the EU. Job creation and labour market participation have been major challenges for Greece, as the Public Employment Services could not provide individualised support, the gender employment gap persists -women facing more entry barriers and difficulties in retaining their position in the labour market- and many jobseekers cannot easily reintegrate in the labour market. With a view to create employment-supporting measures the modernization and simplification of Labour Law reform has been launched and a new legislative framework for the Public Employment Service has been adopted. Furthermore, the restructuring and rebranding of Greece's public employment service and the reform of ALMP intend to modernise employment schemes. Also, projects such as the creation of childcare units within large companies and diversity awareness aim to facilitate participation in the labour market equally for all genders and population groups. Within the above framework the National

Action Plan for Gender Equality has been set out and the “Neighbourhood Nannies” programme has been developed.

#### **Part B - RRP related**

For Greece, the **modernization and simplification of Labour Law** has been a cornerstone reform that streamlined key aspects of the labour market with a view to improving work relations, increasing participation in the labour market and contribute to the improvement of the business environment. In particular, the reform aims at the modernization of a) individual labour law, b) collective labour law and trade union law, c) the establishment of an independent Labour Inspection Authority, and d) the ratification of the ILO Convention 190 “*concerning the elimination of violence and harassment in the world of work*”, and the transposition of EU Directive 2019/1158 on Work Life Balance.

The **new Legislative Framework for the Public Employment Service (PES)** is a significant complementary reform aiming to modernise the public employment service and introduce new digital tools, such as the digital register and the digital individual action plan. It also includes provisions for rewarding those who are actively seeking or finding work and also focuses on dealing with identified abuses, so that bonuses and benefits are directed to those who really need them. Furthermore, the bill aims at the modernization of the training system and establishes obligations for both trainees and training providers. Consistent with the new regulatory framework, the **restructuring and rebranding of Greek Employment Service and local PES** aims to reform Greece’s public employment service (new Greek abbreviation: DYPA) with a view to improving the quality of its services, and its overall capacity and effectiveness. The action involves a) an organisational reform of the Public Employment Service (DYPA) updating its governance model and establishing a new organisational chart and financial management system; b) the redesign and building renovation of DYPA’s 118 local branches for the promotion of employment , with a renewed focus on customised matching services, enhanced counselling, and outreach; c) a new communication strategy of DYPA; d) the improvement of customer service quality control mechanisms through the measurement and monitoring of effectiveness, efficiency, productivity and customer satisfaction aspects; and e) implementation of new forms of profiling and counselling services.

The **hiring of new employment counsellors** for a period of four years aims at strengthening the capacity of the PES. The **training aimed at strengthening the skills of local PES (KPA2) employment counsellors** programme aims at the upskilling of 1,000 DYPA employment counsellors, through the period of 2022-25, within the framework of the ALMP reform.

Regarding the aforementioned **reform of ALMP, the Ministry is currently launching a wide range of co-financed policies** targeted to unemployed men, women and youngsters. These policies aim to modernise employment schemes for them to be relevant to cutting-edge sectors of economy (e.g. technology, communications, information, tourism, the creative industry sector, and the agri-food sector). This target is pursued through targeted short - term public sector employment schemes for unemployed, as well as the adoption of a modern/effective system of counselling, supporting and certified training services provided to more vulnerable professionals such as young people, women and



lone parents. **For the period extending up to June 2023, a number of programmes have been planned** to include counselling, digital skilling/upskilling and certified training for specific categories of unemployed (women, young people, young people from disadvantaged backgrounds) both in traditional sectors of Greek economy such as culture, tourism, the publishing sector, retail trade, as well as in emerging ones such as blue economy. Furthermore, regarding the integration of long-term unemployed people over 45 years of age or unemployed (young and experienced ones) in geographical areas of high unemployment with specific characteristics such as a local economy in transition, a local economy experiencing rapid de-industrialization or a heavily seasonal local economy, a number of programmes have been designed in order to support their (re-) integration into the labour market.

Greece assigns very high emphasis on closing the gender employment gap and promoting increased labour participation for women. The goal of the **creation of childcare units within large companies** (included in the NRRP) is to make access to child care available at the workplace, since increasing access to reliable child care could give mothers the flexibility to pursue opportunities that can facilitate their employability. The Greek authorities have completed consultations with professional chambers and social partners, as well as with companies interested in activating the project's benefits. The first open call of participation will be issued by the end of Q2 2022 for 75 companies, while the completion of the selected companies' funding is expected by the end of 2022. To the same direction, but beyond the NRRP, there are **26 DYPA Nursery Schools** operating since September 2021 in which infants can enrol for free, as long as one of their parents is a beneficiary of DYPA. The aim is to assist parents and especially women from disadvantaged families to find their way to employment and there are socioeconomic criteria for the beneficiaries' children.

Moreover, the **diversity awareness** project seeks to raise awareness of the various dimensions and benefits of diversity in the workplace by developing a national diversity corporate index aiming to help partner companies benchmark their diversity organizational goals and rate the diversity level of their workplace. It also foresees the development and delivery of training programmes for all employees in both the private and public sector with the aim of approaching and managing diversity both in the internal and external working environment. The relevant legislation was put into force at the end of Q3 2021. By the end of April 2022, a relevant invitation will have been issued for the nomination of the contractor who will support the project's implementation. By the end of Q4 2022, the training modules will be available for use, according to the time plan.

### **Part C - Not RRP related**

The new Greek **National Action Plan for Gender Equality (NAPGE) 2021-2025** is fully in line with the European Strategy for Gender Equality 2020-2025, the corresponding Strategy of the Council of Europe 2018-2023 and the UN Sustainable Development Goals. The National Action Plan is organised around four priority axes, each of which focuses on a specific thematic dimension of gender equality policies. The priority axes consist of the following:

1. Prevention and fight against gender and domestic violence
2. Equal participation of women in the labour market

3. Equal participation of women in decision-making positions / leadership roles

4. Gender mainstreaming in sectoral policies

The NAPGE 2021-2025 has been approved by the Council of Ministers and thus all Ministries have incorporated their planned actions on gender equality.

One of the most significant projects of the NAPGE 2021- 2025 is the “**Neighbourhood Nannies**” programme whose goal is twofold. First, it aims to support and facilitate parents and especially mothers to achieve their full integration or reintegration into the labour market and the continuation of their professional career. Second, it aims, to reduce undeclared work by encouraging unemployed women, to work formally as child carers upon receiving certification and meeting specific criteria. Especially for safeguarding services provided to babies and toddlers aged from 2 months up to 2.5 years old, an electronic “Childcarers’ Registry ” was set up. All procedures are conducted electronically and reduce administrative burden to a minimum. The current year is considered a year of pilot implementation of the programme, which is implemented in 33 municipalities nationwide, while from 2023 it will be extended to at least another 100 municipalities.

Also, the project “**SHARE: Promoting the balance of work and family life in companies and a better distribution of care responsibilities between men and women.**” uses a methodology to identify and reward companies implementing policies and initiatives advancing gender equality. The first cycle of project was completed in February 2022, with the award of the equality badge to 18 companies.

Last but not least, the **gender mainstreaming in public policy and budget processes** project, beginning in May 2022, aims at strengthening the capacity for gender-sensitive recovery by introducing gender impact assessment in public policies and is included in the funding by the TSI programme. There is a clear need to better understand the portfolio/variety, latest methodologies and developments in gender equality policy making, and supporting diagnostic work for development of an action plan for further gender mainstreaming in public policy. The trends and importance of gender equality gaps can be misinterpreted in the absence of reliable data and horizontally cross-cutting gender equality analyses. The 2021 Report on Gender Equality<sup>2</sup> in the EU shows the negative impact of the COVID-19 pandemic on women. These findings are further reflected in the EIGE assessment that gender equality had regressed even before the pandemic.<sup>3</sup> There is a strong need to support the implementation of gender impact assessment (GIA) when designing public policies. More detailed information is provided on Table 1 – 2020 CSR2, subpart 1 and subpart 2.

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<sup>2</sup> [Gender equality strategy | European Commission \(europa.eu\)](#)

<sup>3</sup> [Let's turn up the power for more gender equality \(europa.eu\)](#)

### 3.5 Poverty reduction and social inclusion

#### Part A - Introduction

The pandemic followed a long economic crisis, during which poverty and inequalities became significant challenges for Greece to address with the percentage of people at risk of poverty or material deprivation remaining at high levels. Social policy measures have been targeted to the most vulnerable groups aiming not only to support them financially but also to provide them with access to social services and a chance to reintegrate into the labour market. Among other initiatives, a National Strategy for Social Inclusion and Poverty Reduction has been developed, while different action plans have been set out for specific groups like children (National Plan for the Child Guarantee) and Roma (National Roma Integration Strategy and Action Plan, 2021-2030). Also, regarding migrants and refugees, access to the labour market, alongside with language barriers and the common fact that Greece is rarely the final destination of choice for refugees, are key challenges to be addressed. Thereby, the Greek legal framework facilitated the provision of material reception conditions for asylum seekers implementing Directive 2013/33/EU, while a new National Strategy for Integration, emphasizing early action in the sense of pre-integration, was established to ensure effective participation in cultural, social and economic life.

#### Part B - RRP related

For Greece, **social integration and reintegration of the most vulnerable groups** is a flagship project which focuses on the support of the most vulnerable groups, i.e., Guaranteed Minimum Income beneficiaries and homeless people, aiming at their (re)integration in the labour market, through a comprehensive upskilling and employment programme. This can be achieved by a) boosting homeless and GMI beneficiaries' employability according to the specific skills required to participate in employment; and b) minimising GMI beneficiaries' dependency on welfare support and preventing their marginalisation and poverty risk. The Public Employment Service (DYPA) is expected to be as the project's implementing body.

The Greek NRRP supports, through specific reforms and investments, **the economic and social transition of the lignite-dependent areas**. Regarding Just Transition Areas, METAVASI SA, a special purpose vehicle (SPV) established through recent legislation will be the new rightful owner and land developer of the transferred lignite areas. The Framework Program Contract Law between the Public Power Corporation (PPC) and Metavasi SA as well as the relevant Urban Plans will be implemented until Q2 2022.

In addition to the above, the Greek NRRP will take a leading role in **promoting labour integration and professional development** for recognized refugees in the sectors of agriculture, construction, tourism and women in manufacturing. These sub-programs will last 36 months with a starting date of 1/5/2022 and a total number of 14,580 beneficiaries, who will be supported through vocationally oriented language training of adult learners and on-the-Job Training (OJT). The above-mentioned initiatives, under the coordination of the National Integration Strategy, will promote access to the labour market

contributing to financial independence of refugees, while enhancing the economic and social development of local communities.

For adequately addressing the needs of asylum seekers and asylum policy, Greek authorities digitised and accelerated asylum procedures, by establishing a new institutional framework as well as by expanding and upgrading the “ALKYONI” digital system. As a consequence of these actions, a significant acceleration of asylum decisions has been accomplished, leading to a major reduction of pending cases (52% decrease of the backlog of the Asylum Service and the Appeals Authority in one year). Part of the **digitization of reception and asylum procedures**, as well as the **upgrade of the open accommodation facilities** in the Greek mainland -in terms of safety and the provision of digital services- is funded by the RRF.

### **Part C - Not RRP related**

As mentioned above, in November 2021, Greece submitted to the European Commission, the **National Strategy for Social Inclusion and Poverty Reduction** and the Action Plan for its implementation. This is the national, strategic document that includes the goals, political priorities, implemented and planned programs/ actions of the Greek Government for the new programming period 2021-2027. The actions aim at the social integration and reintegration of the special and vulnerable groups of the population and at reduction of poverty. Following the approval of the Strategy by the European Commission, the process of monitoring and evaluation will begin by the national and local level bodies of the national mechanism for coordination, monitoring and evaluation of social inclusion and social cohesion policies.

The **national mechanism for the coordination, monitoring and evaluation of social inclusion and social cohesion policies** is responsible for the design, organisation, coordination, monitoring and evaluation of horizontal cohesive multi-sector policies of social inclusion and social cohesion. The purpose of the National Mechanism is to diagnose the social needs of citizens, to coordinate the formulation of social inclusion and social cohesion policies, to monitor and evaluate them, as well as to specify the priorities of social solidarity. Furthermore, the national mechanism contributes to upgrading the quantity of information, transparency, effectiveness and efficiency of the social solidarity system. Additionally, it substantiates and specifies the appropriate policies and actions for the people at risk of poverty and social exclusion, while it also designs, supervises and evaluates the institutional framework of the implementation of the Guaranteed Minimum Income.

Regarding children, a **National Plan for the Child Guarantee** has been developed with the objective to address child poverty and social exclusion, in order to successfully implement the Child Guarantee and to monitor and evaluate its progress and outcomes. The Plan will be shortly submitted to the EU by the National Centre for Social Solidarity (EKKA). A **digital platform** will collect and offer all updated necessary data for the monitoring and evaluation of the European Child Guarantee. Currently, the digital platform is at the planning stage of its implementation. Thereafter, EKKA as the National Coordinator will design and run the digital platform with the collaboration of Unicef. More detailed information is provided on Table 1 –2020 CSR 3, subpart 9.

Furthermore, targeted interventions are foreseen in the **National Roma Integration Strategy and Action Plan, 2021-2030**, submitted to the European Commission in February 2022, under four pillars:

- I. Prevention and fight against Roma poverty and social exclusion
- II. Enhancing equal access of Roma to basic services and goods (education, employment, health, social care and housing)
- III. Preventing and combating stereotypes and discrimination against Roma
- IV. Promoting the active participation of Roma in social, economic and political life.

More detailed information is provided on Table 1 – 2019 CSR 2, subpart 5, subpart 6 and subpart 7

Furthermore, the **School meals programme** was introduced in 2017. It is funded by the MoLSA and is implemented by private contractors providing the meals directly to the schools. The contractors are selected by the Organisation for Welfare Benefits and Social Solidarity (OPEKA) that is responsible for the management of the programme. The programme is implemented in specific primary education schools across the country. The program started as a pilot in 2017 and is gradually expanding every school year. During the current school year 2021-2022, 1,621 schools with 224,335 pupils have been included in the programme. More detailed information is provided on Table 1 –2019 CSR 2, subpart 5

Greek authorities also aim at dealing with in-work poverty. An important determinant of the latter is the level of the **minimum wage**. The statutory minimum wage adjustment process for the setting of the Minimum Wage for 2022 has now been completed, leading to an increase in the level of Minimum Wage to EUR 713, with effect as from 1 May 2022. Moreover, a 2% increase in the minimum wage for both white and blue-collar workers throughout the country had been established, effective as from 1.1.2022. In percentage terms, the increase of the Minimum Wage to EUR 713 represents an increase of 9.7% relative to the Minimum Wage in 2021 (EUR 650). For the whole of 2022, the increase in the Minimum Wage relative to 2021 is estimated at 7.13%, calculated using the weighted average of the Minimum Wage in force over the first four and last eight months of the year (EUR 663 and EUR 713 respectively)

Regarding social housing policy, the **Social Housing for the most Vulnerable Groups** Action focuses on developing a social housing policy for vulnerable groups, hence reducing homelessness in large urban areas, by building up networks between private homeowners and local social services. A working group was set up in order to elaborate the main pillars for the implementation of the action, while next steps include: a) Recording of private and public housing stock (Q4 2023), b) Renovation program (Social housing renovation apartment completion) (2024), c) Selection of beneficiaries (Q1 2025) d) Implementation of the social housing program (Q2 2025) and e) Evaluation (2026).

With regard to the support of vulnerable debtors, a private sector legal entity acting as a **Sale and Leaseback Body (SLBO)** will be selected by the State through a concession agreement. The SLBO will undertake the obligation to acquire the primary residence of vulnerable debtors by paying the commercial value of the asset. Then, the primary residence will be leased back to the insolvent person for twelve years, at the end of which, the debtor has a right to buy it back. In July 2021 a new electronic

platform was launched, through which debtors have the opportunity to be certified as vulnerable under particular criteria and therefore be eligible for the social provisions of the Law -such as the SLBO- and the possible receipt of a housing benefit. In the meantime, and up to the activation of the SLBO, an intermediate programme for the protection of vulnerable debtors has been adopted. The next steps include the selection of the financial advisor, the adoption of the relevant Ministerial Decision on Expression of Interest (Eol) and the launch of the process, as well as the evaluation and pre-selection of candidates for SLBO. The ratification of the law concerning SLBO is expected by Q3 2023.

Also, the **Housing and Work for the Homeless Programme** has been established and aims to enhance the social reintegration of 600 households/800 beneficiaries living in homelessness. The programme is announced every two years, is being implemented in cooperation with municipalities, State agencies, as well as certified NGOs and includes the following three pillars:

- a. Rent subsidy for a period of 24 months, as well as coverage of expenses for houseware and other operational needs of the household;
- b. Provision of psychosocial support services and referral to complementary social benefits and services;
- c. Activation services, vocational training and promotion in the labour market, including work subsidies, coverage of non-wage costs, subsidies for setting up a business, vocational training and skills acquisition, subsidies for participation in community service programmes and job counselling from the PES (DYPA), integration in Second Chance Schools.

Moreover, **DYPA Social Housing Policy** is currently going through a major transition period, involving its restructuring and development of new policies and measures. DYPA's newly established aims will include the implementation of the government policy regarding housing protection and other forms of supporting workers and their families by providing relevant benefits and implementing relevant programmes. Moreover, DYPA will be able to acquire both built and unbuilt properties which will be necessary for exercising its social responsibilities and attaining its aims. It will thus be able to embark on partnerships with public or private bodies with a view to constructing buildings within the context of promoting the government policy on social housing.

As part of the abovementioned new National Roma Integration Strategy an integrated social housing pilot project is implemented aiming at the temporary relocation of a Roma settlement in the Municipality of Katerini, for 56 Roma families. The intervention will act as a flagship and pilot project for the development and hands-on implementation of the social housing policy in Greece. It takes into account a holistic and innovative set of procedures and supportive services (including access to education, employment and healthcare services and empowerment of Roma) targeted mostly to the vulnerable groups. More detailed information is provided on Table 1 -2020 CSR 2, subpart 1 and subpart 2.

For the purpose of tackling a **large-scale influx of asylum seekers**, the Greek authorities issued a decision to establish secure reception facilities in five Aegean Islands and the northern land borders with Turkey (Evros) by replacing the old Reception and Identification Centers (RICs) with innovative and safe

EU-funded Controlled Reception Centers ensuring decent living conditions. Likewise, an **emergency accommodation mechanism** for homeless unaccompanied minors has been established and it is operating successfully, while the **ESTIA programme**, co-funded by the Asylum, Migration and Integration Fund, continues to provide quality accommodation in flats, combined with a holistic package of support services, for the most vulnerable asylum seekers. As a result, not only the living conditions have been significantly improved, but also the population (asylum seekers) hosted in the accommodation structures run by the Greek authorities, has already been significantly reduced, contributing to available places in case of mass arrivals. In relation to this, and as a consequence, Greece has already activated approximately 15,000 accommodation places for displaced Ukrainian citizens. More detailed information is provided on Table 1 -2020 CSR 2, subpart 1 and subpart 2.

**Labour integration of third country nationals** and especially of recognized refugees, continues to constitute a significant challenge for Greece. As a key priority, Greece has adopted a holistic approach on integration based on EU standards, the **National Strategy for Integration**, emphasizing early action, in the sense of pre-integration. In addition, the **Migrant Integration Centers**, established in 2016 as branches of the Community Centers in 13 regions of Greece, function as local points of reference for the provision of services to third country nationals (migrants and refugees) in order to improve living standards including access to labour. At present 11 Migrant Integration Centers are established and the goal is to increase them to 30 in the coming period. Furthermore, in cooperation with the National Organization for the Certification of Qualifications and Vocational Guidance, intercultural mediators have access to professional certification, while in July 2021 the training of 34 intercultural mediators was completed and they were placed in Community Centers and Migrant Integration Centers in 32 Municipalities. Greek Authorities have also signed a MoU with the International Organization for Migration (IOM) in order to implement education and vocational training actions to ensure smooth transition to employment, while the UN Refugee Agency (UNHCR) is launching pilot integration activities, including mapping of refugee educational and professional skills. Furthermore, since 2019, Greece is implementing the Hellenic Integration Support for Beneficiaries of International Protection (HELIOS), a co-Funded project, where, among else, provision of individual employability and job readiness support, including job counseling, access to job-related certifications and networking with private employers is provided. Moreover, integration courses are conducted within Integration Learning Centres set-up across Greece, together with awareness-raising campaigns among the host community. So far 34,766 recognized refugees have enrolled in the **HELIOS Project**. In the upcoming period, the project will be co-funded by the European Social Fund and the employability component will be further elaborated, in mutual coordination with local communities, to the point that it will constitute the main pillar of the project.

In order to enhance the social integration of refugees, through the promotion of their integration into the labour market, the Greek PES designed a pilot intervention for 1,000 beneficiaries of international protection. The project's objective is to develop a lasting, effective mechanism aimed at integrating the refugee population into the labour market, tailored to the needs of beneficiaries and enterprises. The design of **the Integrated Action for Facilitating Job Integration of Refugees – I.Ref.Job (DYPA)** Action was completed in February 2022 P. The design was carried out in collaboration with the European

Commission (DG REFORM) and the World Bank, while targeted partnerships were also developed with competent national authorities and stakeholders with a view to exchanging know-how and ideas on the utilisation of appropriate innovative practices. The design was mainly focused on tailoring the services provided by DYPA to the specific needs of this target group. Once the proposals are approved by the competent authority, the action will be officially launched, while its life-cycle ends in August 2023. The action includes a broad set of interrelated activities, based on a customised approach, such as individual and group counseling, linguistic and intercultural training, vocational training and internship, and wage subsidy. It is addressed to 600 Refugees, aged 18-29, in Attica and 400 Refugees, aged 30+, in Central Macedonia. More detailed information is provided on Table 1 – 2019 CSR 2, subpart 5, subpart 6, and subpart 7.

Greek authorities recognise the need for supporting the national strategy and policies that aim to foster social inclusion for adolescents and youth, and taking Sustainable Development Goals (SDGs) s 4, 5, 8 and 10 into consideration. DYPA and UNICEF are implementing a partnership-based project (2021-2022) under the EU Child Guarantee Initiative Preparatory action, to **Support adolescents and youth at risk for better employment opportunities**. The project is mainly targeted at young people aged 16-24, including adolescents and youth at risk, with a migrant, refugee or minority background, children and young persons with disabilities, unaccompanied children, and children with complex needs, aiming at providing them with opportunities to enhance their employability. Activities completed include a labour market needs analysis in the Attica Region with emphasis on young people from groups at risk of social exclusion, a digital platform with multiple functionalities aiming at facilitating the integration services offered by DYPA to these specific groups (skills assessment – e-portfolio – matching), as well as targeted vocational training actions. Next steps, until the action's end (12/2022), include group counselling, such as job search techniques and active career guidance, as well as placements, so that beneficiaries can acquire work experience and quality work opportunities linking their skills to labour market needs. A support action for Social Cooperative Enterprises is also under preparation, specially designed for young social entrepreneurs with disabilities and aiming to help them start their own businesses. More detailed information is provided on Table 1 – 2019 CSR 2, subpart 5, subpart 6, and subpart 7.

In line with the above-mentioned policies, the **“Single Digital Access Portal to Social Protection”** aspires to expand the functions of the National Mechanism for Coordination, Monitoring and Evaluation of Social Inclusion and Social Cohesion Policies and to eventually integrate the electronic application forms of the cash social assistance benefits into a single digital portal.

To date, the definition of the essential specifications has been completed while the definition of the technical specifications is in the implementation stage. The next steps concern the necessary regulatory interventions, the assignment of the development of the electronic platform to a contractor, the implementation of the application subsystem, the implementation of the supervisory subsystem of social care providers and the implementation of the complaints and objections subsystem. Finally, the project will contribute to increasing the efficiency of the benefit system, combating fraud, controlling cash benefits, collecting comprehensive information, allowing for automated cross-checking of program criteria for applicants / beneficiaries and saving resources by maintaining different information systems



Last but not least the **special checks for granting welfare benefits to non-permanent residents of the country** cover the need to safeguard the system that allows access to welfare and healthcare system benefits for people that do not permanently reside in the country. This reform aims to safeguard the social protection system against misuse and to reduce potential misallocation of social benefits due to systematic tax evasion and/or fraud by non-eligible individuals. More detailed information is provided on Table 1 –2020 CSR 3, subpart 9.

### 3.6 Safe and sustainable transport and logistics

#### Part A - Introduction

Transitioning to green and sustainable transport remains a key challenge for Greece. Both under the RRP framework as well as beyond it, the Greek administration has designed a number of reforms and investments towards cleaner, smarter, cheaper and safer transportation. This effort aims, inter alia, to enable the installation and operation of charging infrastructure for electric vehicles (EV), along with increasing the share of EV, buses and taxis in the Greek transportation fleet; and to improve the quality of services and safety of the Greek rail and road transportation system.

#### Part B - RRP related

Greek authorities are aiming to improve energy efficiency and develop electro-mobility and sustainable transport through the following investments and reforms: Under the frame of RRP “**Electromobility**”, investment is related to the electrification of the Greek transport system and the development of sustainable means of transportation, by replacing old buses with new electric ones, by creating a subsidy scheme that helps reduce the costs of purchasing 2000 zero tailpipe emission taxis, and by developing 8,656 publicly accessible charge points at strategic urban and suburban locations within cities and at points of interest (i.e. airports, motorways, ports and in private parking areas). The investment commenced in 2021 and is expected to be completed by Q3 2025. The tender procedure for the replacement of the old buses launched at Q4 2021 and is going to be completed at Q3 2022. In addition, the investment relates to the revision of legislation on public passenger transport services by road and the compliance with the provisions of Council Regulation (EC) No 1370/2007 on the conditions under which transport operators can be compensated or given exclusive rights by public authorities to provide public transport services by road which are in the general interest but would otherwise not be commercially viable. By the end of March 2022, the Greek administration has completed the elaboration of the final draft of the law that aims, by establishing Public Sector Obligations (PSOs), to ensure that passengers can access safe, efficient, attractive and high-quality public passenger transport services. The public consultation on the regulatory policy, as well as the submission of the law to the Parliament and its adoption will be completed by the end of Q2 2022, while all relevant secondary legislation will be issued and entered into force by the end of Q4 2022.

In the field of upgrading railway infrastructures, several investments are being promoted. More specifically, the investment “**Interventions for the upgrade and redeployment of the Greek rail network system and infrastructure**” includes actions for upgrading of the Greek rail network system and infrastructure. It includes works for the upgrade of the existing railway infrastructure,

electromechanical systems, signaling, telecommunications and electrification and other facilities required for the network operation. The investment is split into three PPP subprojects according to the geographical segmentation of the network. The total cost of the investment amounts to EUR 670 million, out of which EUR 130 million will be covered by RRF grants. During Q2 2022 the PPP tender will be prepared and by the end of Q1 2023 the PPP contract award for upgrade and redeploy network will be completed.

Another relevant investment is the **“Upgrading suburban railway of West Attica”**. The investment aims at the construction of a new branch in the Suburban Railway from Ano Liosia to Megara, within the existing railway corridor of the old railway line towards the Peloponnese. The total length of the new Suburban Railway branch will be 36 km. The investment commenced in Q2 2021 and is expected to be completed by Q4 2025. The total cost of the investment is estimated at EUR 95 million, which will be covered by RRF grants. It is estimated that by the end of 2022, the tender process will have been completed, so the construction works may start.

Moreover, the **“Digital Transformation of the Hellenic Railways Organization”** constitutes another significant investment which concerns the upgrade of the Hellenic Railways Organisation’s (OSE) telecommunication infrastructure by installing special infrastructure technology and antennas for signal transmission and continuity throughout the network, enabling open telecommunication access, meeting the operational needs of trains as well as passengers. In addition, infrastructure for fast internet access, as well as telematic services and smart ticketing, will be installed in the train stations. The investment is proposed to be implemented in the form of a Public-Private Partnership (PPP). The total budget of the Project amounts to EUR 50 million, out of which EUR 25 million will be covered by RRF grants. The tender will be launched within Q3 2022 and the contract is expected to be signed by the end of Q3 2023.

A reform which is also related to the above investments is the **“Organizational reforms in the railway sector”**. The reform aims at establishing all the necessary digital tools, and procedures to monitor, manage and implement the Greek Rail projects. Furthermore, the implementation of the reform will lead to clear workflows and robust decision-making processes for the rail projects to enhance transparency and innovation, as well as to better coordination of projects at the planning and execution phase. Following the completion of the roadmap incorporating the successive steps for the reform in Q3 2021, the primary and secondary legislation will be enacted by the end of Q2 2022. Additionally, by the end of 2022 the Presidential Decrees pertinent to the reorganisation of the two companies will be issued and by Q2 2023 the senior management for both companies will be appointed.

With regard to the airports, the Hellenic Civil Aviation Authority (‘HCAA’) certified in December 2017, 13 Regional Airports operated by Fraport Greece. The aim of the **“Implementation of EASA compliance rectification works”** is to achieve the fullest compliance for the 13 Regional Airports of Greece according to the new certification requirements. The investment commenced in Q4 2021 and is expected to be completed by Q2 2025. The total cost of the investment amounts to EUR 132.174 million, which will be covered by RRF grants. By the end of Q2 2023, contracts for rectification works at all airports will be signed.

Road safety remains an important factor for Greece. In this direction, the project **“Road Safety Upgrade”** aims at restoring the road network and repairing the defects of the pavement at regions across the country in order to enhance their operation and safety level. The project consists of two parts. The first corresponds to an already partially funded program by the European Investment Bank (EIB), the «Road Safety Improvement Program (PEVOA)”. PEVOA includes interventions on approximately 7,000 dangerous locations, extending over 2,500 km of the road network to 80 roads. The studies have already been completed by Egnatia Odos S.A. The first part amounts to EUR 450 million. The second part which constitutes the second Phase of the Programme will include studies and interventions throughout the national road network that amount to EUR 275 million. By the end of Q2 2023, the contracts for restoration of more than 2,300 dangerous spots will be signed.

The investment under the title **“Smart bridges”** will contribute to the “smart” and preventive maintenance for bridges across the country. The collected information will be recorded and processed by specialised engineers in order to improve the safety level of the bridges and prevent future accidents. The investment commenced in Q3 2021 and is expected to be completed by Q4 2025. The total budget amounts to EUR 130 million, out of which EUR 100 million will be covered by RRF grants and EUR 30 million via the Public Investment Programme. During this period, the technical specifications for tender documents are being prepared and by July 2022 the designing of the project will have been completed. By October 2023, it is estimated that the contract will have been signed and the Implementation of the Project will start.

The investment of **“Electronic Tolls”** constitutes another significant project under the RRP frame. The scope of this project is the development of a reliable, user-friendly, and cost-effective interoperable electronic toll system in Greece, which will ensure the availability of different options for automated electronic payments, a fair and transparent toll billing mechanism for all stakeholders, the improvement of vehicle flow, and set the base for enhanced services and interoperability with other European countries. The system, which will be open and flexible in order to meet emerging security and personal data protection needs, consists of a Central Technical Platform that will be operated by a new special purpose legal entity (Exchange Agent). The contract awarded for e-tolls for the provisions of a uniform, cost-effective, transparent, and user-friendly service is expected to be signed by the end of Q2 2023.

#### **Part C - Not RRP related**

Beyond the above RRP investments and towards the achievement of the goal of enhancing electromobility, Greek authorities had proceeded with the implementation of the subsidy scheme under the title of **“Move Electrically”**, which was concluded at the end of 2021. Under the scheme more than 18000 applications have been submitted, requesting subsidies for the purchase of electric bicycles, motorcycles, cars and vans. The 2nd circle of the subsidy scheme with updated terms will be launched in Q2 2022, offering increased amounts of subsidies to the different categories of electric vehicles and to the different groups of beneficiaries. In addition, there is work currently in progress, on updating and/or creating a new regulatory framework that will expedite the development of the necessary charging infrastructure.

Greek authorities also aim at developing and growing cycling's modal share at the national level. The action of **"bicycle usage"** generates many positive impacts, such as cleaner air, healthier and happier citizens, more livable cities and towns, better rural connectivity and more vibrant local economies. Therefore its implementation constitutes a crucial policy tool. The elaboration of a Guide of Public Policy for Cycling that establishes the guidelines, pillars and principles for promoting cycling launched in Q1 2022 and its publication is expected to take place by Q2 2022. The aforementioned Guide renders the backbone for the upcoming National Action Plan on Cycling that will determine specific actions and key performance indicators, with estimated time of completion by Q1 2023.

In the field of sustainable transport, the effective completion of the following projects will contribute to the improvement of public transport, making it more attractive, especially in the major cities of Athens and Thessaloniki: The project **"Line 4, Section A of Athens Metro"** is related to the construction of the Section A of Line 4 of the Athens metro, with an approximate length of 12.8 km, 15 underground stations and 9 intermediate and/or terminal stations. Section A of Line 4 has been designed with the purpose to serve a number of densely populated areas of the city and important buildings and facilities, such as hospitals, educational institutions, court houses, Ministries. The investment started in June of 2021 and is expected to be completed by 2030. The total cost of the investment is estimated at EUR 1.51 billion. The works have begun and are continuing according to the schedule. Additionally, the **"Athens Metro - Line 3 Extension to Piraeus"** relates to the extension of Line 3 of the metro from Athens to Piraeus with the construction of a 7.6 km long tunnel and 6 new modern stations. This is an investment of EUR 730 million in the area of Piraeus and other neighbouring Municipalities, all of which currently face serious traffic problems and low accessibility to the public transport modes. The project is at an advanced construction stage and on July 6, 2020, the first 3 stations of Aghia Varvara, Korydallos and Nikaia were commissioned. The entire Line 3 Extension is expected to be commissioned by summer 2022.

Another important investment is the **"Thessaloniki Metro – Basic line"** which is related to the construction of the metro in the city of Thessaloniki and consists of a 9.6 km long line, 13 modern stations and a 55,000m<sup>2</sup> Depot in the area of Pylea, with 18 fully automatic driverless, air-conditioned trains of the latest technology, as well as automatic platform screen doors in each station for improved passenger service and safety. The cost of the investment exceeds EUR 1.5 billion and is expected to be concluded by the end of 2023. Finally, the investment of **"Thessaloniki Metro - Extension to Kalamaria"** relates to the construction of the extension to Kalamaria of the metro in the city of Thessaloniki and includes 5 Stations located along an underground line 4.78 km long. This project will upgrade transport services and the environment, while it shall also substantially improve the quality of the citizens' daily lives. The investment is already in an advanced construction phase and expected to be commissioned within 2024. Its total approved budget is EUR 570 million.

The investment of **"Railway Rio – Patra – ERGOSE"** concerns the extension of the railway line Athens - Patra, by the deployment of the new 11 km double railway line from Rio till the New Port of Patra, 5.16 km of which will be undergrounded through a cut & cover. Six train stations will be undergrounded and the terminal at New Port of Patra will be constructed. Implementation is estimated to last 48 months and is expected to commence during Q1 2023. By Q2 2023, construction works will start. The

investment cost has been budgeted to EUR 476.5 million) and will be funded by the Connecting Europe Facility (CEF), NSRF 2021 – 2027 and the Public Investment Programme.

In addition, Greek authorities through the reform **“Road Safety”** aims at launching and establishing a new legislative framework promoting Road Safety and aiming at reducing the level of road traffic fatalities and injuries caused by vehicles in Greece through managing the interaction between speed, vehicles, road infrastructure and road-user behaviour in a holistic manner. This reform commenced in Q4 2021 with the adoption of primary legislation, while the re-evaluation and up-dating of the educational material for the examination of the candidate drivers was completed in Q1 2022. Moreover, the development of the 3rd National Road Safety Strategic Plan and its adoption by the Parliament is expected to be completed by the end Q2 2022. Furthermore, the revision of the Road Traffic Code, taking into account the international experience and applying a new philosophy in practice, is estimated to be submitted and adopted by the Parliament by Q4 2022. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 4 and 2019 CSR 2, subpart 1.

### **3.7 Clean and efficient production and use of energy, including renewable energy and interconnection projects**

#### **Part A - Introduction**

According to the Greek National Energy and Climate Plan (NECP) the national objective to be attained in terms of the renewable energy sources (RES) share in gross final energy consumption is at least 35% by 2030. There are also objectives for the RES share in gross final electricity consumption to reach at least 60%, for the RES share in covering heating and cooling needs to exceed 40% and for the RES share in the transport sector to exceed 14% by 2030. These quantitative objectives rely on reforms and investments promoting the fast and sustainable penetration of RES in the market, ensuring the transparent operation of the electricity market, electrifying the transport sector and increasing the energy efficiency of the building stock.

#### **Part B - RRP related**

Under the RRP framework and towards a new low carbon energy model, the Greek administration is implementing several reforms and investments. More specifically, in the field of electricity market operation a significant reform under the title **“Streamlining the efficient operation of the new electricity market model and the development of new RES plants** aims to achieve the efficient operation of the new electricity market model and the development of new RES plants to reach National Energy and Climate Plan (NECP) targets, through the implementation of monitoring mechanism, the participation of demand response in the balancing market and an extensive reform of the licensing procedure for new RES. By the end of Q2 2022, the Market Monitoring and Surveillance Mechanism, as well as the framework for the full participation of Demand Side Response in the balancing market, will be in place. Moreover, the new framework for the simplification of RES licensing, including simplification and digitalisation of procedures, as well as a new dedicated framework for offshore RES plants will be regulated by end June 2022.

Another reform under the same pillar of “power up” is the **“Restructuring and enhancement of the RES Combined Heat and Power (CHP) Account revenues”**. The investment aims at ensuring the financial sustainability of the RES CHP Account both for existing and upcoming RES units, by measures that reduce legal risk, ensure the bankability of new projects, establish a new mechanism for new RES remunerations that will work automatically, ensure the viability of old RES FiT contracts and facilitate investments so as to reach NECP targets and raise investors’ confidence. The investment will run until Q2 2023. By the end of Q1 2022 the working groups between DAPEEP (the RES managing body) and the Ministry of Energy & Environment have been set up for the necessary legislative initiatives and regulatory decisions, while the legislation for the new RES Account for new RES units that will include mechanisms promoting its financial viability has been prepared. By Q2 2022 the new RES account will be enacted, along with the Guarantees of Origin trading system that will include accreditation for the green retail products and the green business standards, and an auctioning scheme for FiT for RES projects.

In the field of electricity interconnections and storage for supporting RES penetration, a number of investments are being promoted. More specifically the investment **“Interventions for the electricity interconnection of islands and the upgrading of the electricity network”** includes the development and expansion of the Hellenic Electricity Transmission System (HETS), the enhancement of electricity network to support the increase of RES penetration, the seamless, safe and uninterrupted transmission of electricity from production to consumption sites and the promotion of the development of free competition in the country’s electricity market. According to the timeline, by Q2 2023 all the relevant contracts will be awarded by the Independent Power Transmission Operator (IPTO/ADMIE).

Another relevant investment is the **“Installed capacity increase in Hellenic Electricity Distribution Network Operator (HEDNO) HV/MV substations for new RES connection”**. The investment aims at the expansion of the distribution network in order to allow for the optimal and timely realisation of new “medium and large scale” RES projects, avoiding long delays due to congested networks. Its goal is to address the congestion of the distribution grid that prevents further growth of RES plants in specific areas with a high potential. The investment includes the installation of new HV/MV power transformers in existing HV/MV substations that are expandable or the replacement of existing HV/MV power transformers with power transformers of higher MVA. The investment includes the installed capacity increase in existing HV/MV substations by 800 MVA. By the end of 2022 all tenders for HEDNO projects on capacity increases of High Voltage/Medium Voltage substations, will be launched.

A significant investment is the **“Support of the installation of storage systems to enhance RES penetration”**. The project intends to support the installation of up to 1,380 MW capacity of Energy Storage in the electricity system, ca. 50% of which will come as long duration storage from the Amfilochia PHS. These investments will allow the system integration of new RES capacity required for the achievement of NECP targets. In addition, this action will also alleviate network congestion, increase the flexibility of the electricity system and liquidity of the balancing market, enhance system adequacy, enable energy efficiency and promote electricity price transparent formation. At the end of March 2022, the required legislation for the incorporation of the approved support scheme has been prepared and will be voted by mid-2022. Also, by the end of Q2 2022 the tender procedures for all selected projects, will be published for a total of up to 700 MW of capacity.

Climate mitigation and adaptation actions for the built environment in Greece is a key priority. Towards achieving these objectives, a set of key reforms and investments that promote renovation and energy efficiency of buildings, implement urban and spatial planning, addressing at the same time energy poverty have been designed and are being implemented. In particular the investment under the title **“Energy renovation on residential buildings”** aims at optimising the operational energy profile of residential buildings by financing renovations related to energy efficiency. These renovations concern both actions in favour of energy saving as well as the adoption of smart technologies and systems of self-production, with financial support towards the energy poor households. The second round of renovations is about to be completed by Q3 2022, the third round by Q4 2022, while the total number of renovations (at least 50,000 and with a goal of 105,000 households) will be gradually implemented by Q4 2025.

The energy efficiency upgrade investment, especially for the residential buildings, is strongly interrelated to the reform of the **“Energy poverty action plan”**. The proposed reform aims at improving energy efficiency of energy poor & vulnerable households by establishing affordable access to energy. The reform is linked with the climate neutrality target and aligned with the National Energy and Climate Plan (NECP). It includes the establishment of a framework that will define energy-poor households (in accordance with the relevant EU directives 944/2019 and 2002/2018) and will introduce mechanisms for monitoring and reducing energy poverty. The goal is the reduction of the footprint of energy-poor households by 50% by 2025 and by 75% by 2030. The Joint Ministerial Decision establishing the energy poverty action plan has been issued on Q3 2021. It articulates specific measures and targets to be achieved during 2022 and 2023.

Strongly related to the above investment is the **“Energy upgrade of public sector buildings”**. It aims at encouraging the development of an Energy Saving Companies (ESCOs) market for the energy renovation of existing buildings and infrastructure of the (wider) public sector and for the upgrade of street lighting infrastructures. In particular, the investment concerns the involvement of ESCOs for implementing investment proposals of a project or group of projects of the wider public sector. The aim is to accelerate the implementation of projects of significant economic size and significant energy efficiency impact in the public sector, promoting the ESCO business model and creating stable demand for energy performance services through energy performance contracts, securing also direct support (grant) for part of their projects budget. The application guide for the energy efficiency of public sector buildings is in consultation process and the legal framework for the Energy Performance Contracts has been completed, while the Information System (Electra Project) is about to be completed in Q2 2022. For the upgrade of street lighting infrastructure, an introductory discussion with the CRES has been conducted so as to undertake the project, while the calls are about to be published during the 1st semester of 2022.

Reforms that will improve urban ecosystems by modernising the legal framework for urban policy will to support the efficient implementation of investments and contribute directly and indirectly to economic growth. A relevant reform involves the establishment of new special spatial framework for RES, industry, tourism and aquaculture to promote climate mitigation and adaptation, protection of biodiversity and development of the national economy, by contributing both to the increase of GDP and the

establishment of new job positions. More specifically, concerning the special spatial plan for Industry, the study for the current status assessment (1st phase) is expected to be delivered by May 2022. Regarding the special spatial plan for aquaculture, the tenders for the studies have been prepared and will be launched by Q2 2022. As for the RES and Tourism plans, the studies describing the final proposals will be delivered by May 2022.

Another reform in the same field deals with the development of the maritime spatial planning for the implementation of maritime and coastal policy and the relevant planning systems. The success of the reform is a crucial parameter for the acceleration of investments and the sustainable growth and wellbeing in local and national levels, as its implementation will clarify and regulate the institutional framework (regulations and restrictions, protection areas, areas for the development of productive activities especially on the sectors of energy, shipping, fisheries and aquaculture, tourism, mining etc) for the allocation and construction of all types of projects and infrastructures, the protection of environment and the definition of the measures to mitigate or/and adapt to climate change. The preparatory actions for the maturation of the project have been completed. The preparation of the first maritime framework has begun and the first draft will be delivered by June 2022.

A reform of great importance is the **“Framework for installation and operation of electric vehicles charging infrastructure”**. Besides the issuance of a legislative framework towards the electrification of the Greek transportation sector, the reform incorporates, inter alia, the establishment of the “National Registry of publicly accessible charge points and market players”, which is an internet platform (collecting and) providing data about the location and availability of publicly available recharging points for alternative fuels that need to be accessible to all users on an open and non-discriminatory basis. Specifically for recharging points, information on real-time accessibility will be included, as well as real-time charging information. The key milestone of the reform, which was the adoption of law 4710/2020, was accomplished in July 2020, while the publication of all secondary legislation which was considered critical for the electric vehicle market operation has been completed by Q3 2021. The dynamic display platform on the internet will be operational in May 2022, at the same time with the National Registry of the market participants. The reform will be finalised once at least 300 sitting plans for publicly accessible infrastructure for Greek local authorities will be approved. This is planned to be achieved by the end of 2022.

The investment **“Produc-E Green”** contributes to the same objectives. It aims at establishing sustainable urban mobility and promoting storage of CO<sub>2</sub> emissions; and is composed of two sub projects. (1) The funding of 20 industrial production units and R&D activities for greening passenger shipping in Greece and (2) The development of the first CO<sub>2</sub> storage facility in Greece. The first initiative of the investment aims at strengthening the industrial production of e-mobility and promote the installation and development of units across Greece, with the focus being in the wider region of Western Macedonia and in the Regional Unit of Arcadia, regions that are mainly affected by the lignite phase-out decision. The second initiative focuses on the application of carbon capture, utilisation and storage (CCUS) technologies, which have long been considered as valid alternatives in the portfolio of mitigation actions for stabilisation of atmospheric greenhouse gas concentrations. It is assumed that out of the total budget of EUR 550 million, EUR 510 million shall regard large scale units while EUR 40 million will be



targeted to small scale industrial units. By the end of 2022, the programme will be launched for selection of industrial units.

### **Part C - Not RRP related**

Moreover, a number of electricity and natural gas interconnection projects are in progress. The most prominent is the “**Maritsa - Nea Santa**” Greek-Bulgarian interconnection, which corresponds to the construction and operation of a second interconnecting line between the Greek and Bulgarian Systems and will take place via an overhead interconnecting 400 kV Transmission Line between the Nea Santa HVC and the Maritsa East Substation. The total budget of the project is EUR 79.1 million. The project is expected to be completed by Q4 2022. Another project is the Interconnection of Interconnector Greece-Bulgaria (IGB) with the National Natural Gas System (NNGS) in the Komotini area. The total budget of the project is EUR 0.35 million and is expected to be completed by Q2 2022. Despite the difficult economic situation, the “opening” of electricity and gas markets and the promotion of competition continues with the conclusion of the transaction for the privatisation of **HEDNO (Hellenic Electricity Distribution Network Operator S.A. - DEDDIE)** in February 2022 and privatisation of **DEPA Infrastructure S.A.** with the financial closure of the transaction to be expected by May 2022.

Furthermore, the transposition of European Directive 2019/944 on “common rules for the internal market for electricity” is currently on its way to be adopted by the Greek Parliament. The respective Law will promote competitive, flexible and transparent energy markets, with the aim of better products and prices for the end-consumer, as well as better adherence to the primary goals of the European Energy Market. In that sense, it also aims at improving security of supply, a more stable network and interconnections across member-states and a smooth transition towards a carbon-neutral energy system. Another initiative under the title “**ELECTRA**” programme will create a comprehensive legal framework for the Energy Auditors, in accordance with the existing framework for Construction Auditors. In this regard, the aim is to create a streamlined process for both construction and energy performance auditing. The public consultation period for the program implementation guide has been completed in March 2022. More detailed information is provided on Table 1 –2019 CSR 2, subpart 2

## **3.8 Environmental infrastructure**

### **Part A - Introduction**

The systemic nature of climate and environmental challenges makes it necessary to develop sustainable policies incorporating all three dimensions of sustainable development (social, environmental, economic), with common benefits and synergies in addressing climate change, protecting nature and biodiversity, air quality and water resources. The main objectives of the proposed reforms and investments are aligned with natural environment protection, sustainable water management, circular economy, climate change and agricultural development.

## Part B - RRP related

In the field of sustainable water management and under the RRP frame significant investments and reforms have been planned and are being implemented. The most important reform comes under the title **“Establishment of new water and wastewater regulatory authority”** and aims at improving the decisions taken for an improved operation of the water infrastructure and promotion of new initiatives for water saving. This reform will establish a single entity, the National Water Regulatory Authority (NWRA), responsible for implementing the policy for a rational management of water resources, designed by the Ministry of Environment and Energy. The new Authority is expected to strengthen the institutional framework and supervise the sector, including the rationalisation of water tariff policy in line with the ‘polluter pays’ principle and ensuring the sustainability of water services in Greece. The implementation of the investment shall be completed by December 31, 2023.

The investment **“Drinking Water Supply and Saving Infrastructure”** aims at improving the quality of drinking water, increasing efficiency in water usage and upgrading the existing water supply network. The main challenge concerns the adequacy and quality of drinking water, as well as issues concerning public health due to the ageing of water supply networks, which were made of asbestos-cement pipes. Moreover, the obsolescence of the water supply networks and the non-existence of leak detection systems and infrastructures, result in non-rationalized costs which are affecting the pricing and lead to inefficient use of water resources. The investment consists of four sub-projects: (a) construction of new water supply infrastructures in seven areas and three desalination plants, (b) establishment of telemetry - remote control systems for the detection of leaks in water supply networks, (c) procurement of digital hydrometers and (d) other water saving actions. The investment shall comply with the following requirements: newly constructed systems will have an average Infrastructure Leakage Index (ILI) that will be less or equal to 1.5; renovation activity will decrease the leakage by more than 20%; and desalination units will be connected to renewable energy sources. The first milestone, which corresponds to the Issuance of a call of interest for water saving actions, will be issued by June 2023.

The second Investment **“New infrastructure - Urban Wastewater and Sludge Management Infrastructures from Wastewater Treatment”** aims at reducing pollution to the natural and man-made environment arising from wastewater treatment, by constructing new and upgrading existing infrastructure. The Investment consists of three (3) subprojects: (a) construction of 37 new sewage network infrastructures and wastewater treatment plants (WWTPs), (b) upgrading, extension and modernization of 11 WWTPs and reuse of treated water and (c) construction of 16 sludge management infrastructures from WWTPs. The part of the investment relating to upgrading and modernization of 11 WWTPs shall comply with the requirement for the renewal of the front-to-end wastewater system to lead to a decreased average energy use by at least 10% achieved solely by energy efficiency measures and not by material changes or changes in load. The implementation of the investment shall be completed by 31 December 2025. Tenders for works and equipment for the three sub-projects will be launched by Q2 2023.

The investment **“Water Supply Projects”** is related to water supply works in areas of Western Greece and the islands of Lesbos and Corfu. The aim of the investment is to meet the high-water supply needs

during the summer months and address leakage problems. The constructed systems shall comply, on average, with an Infrastructure Leakage Index (ILI) that will be less or equal to 1.5. The measure requires that all works comply with the following principles: (i) all technically feasible and ecologically relevant mitigation measures shall be implemented to reduce adverse impacts on water and relevant habitats and species; (ii) newly built dams will not result in the deterioration nor compromise the achievement of good status of the relevant and connected water bodies. The tenders for works and equipment will be launched by Q4 2022.

These principles must also be complied with in the context of the investment on **“Flood mitigation projects”** which incorporates interventions reducing risks of flooding, providing water for irrigation purposes in areas facing drought during the summer and enhancing surface water management efficiency in several areas in Greece. The measure requires that all works comply with the following principles: (i) all technically feasible and ecologically relevant mitigation measures shall be implemented to reduce adverse impacts on water and relevant habitats and species; (ii) for a newly built dam, ensure that it shall not result in the deterioration nor compromise the achievement of good status of the relevant and connected water bodies. Tenders for works and equipment will be launched by Q2 2023 and the implementation of the investment will be completed by end 2025.

Concerning the irrigation network the project **“Investments in the national irrigation network through PPP schemes”** represents a holistic program for the upgrade and modernization of the national agri-environmental, land improvement and remediation framework, the implementation of which also requires the reform of the institutional, organisational and operational framework of the collective irrigation networks. As the Greek agriculture sector is known to be the largest consumer of water (80-85% of the total consumption of water resources), the implementation of sustainable agricultural practices targeting productivity increase, maintaining ecosystems, enhancing adaptation to climate change, and improving soil quality, is deemed as imperative. The first two sub projects have been approved during March 2022, for implementation via the PPP scheme. Also, a subproject priority list based on cost benefit analysis has been elaborated by the Ministry of Agricultural Development. The finalisation of tender documents will be concluded by Q2 2022.

The investment **“Proposals for actions in the aquaculture sector”** includes innovative equipment solutions, research, transfer of know-how and training of human resources with a view to modernising and diversifying aquaculture production. It also creates a genetic material bank for endangered species and commercial species of freshwater fish. The objective of the investment is to support environmentally friendly production processes and resource efficiency leading to increased trade and job creation in the sector. In addition, aquaculture is one of the main pillars of the Blue Growth Strategy. Both the current and the approved new Common Fisheries Policy promote the sustainable development of European aquaculture which is a key priority. By the end of Q1 2022 a new financial instrument - program fund titled "Proposals for action in the aquaculture sector 2021-2025, will be established.

Regarding forestation policy, the Investment **“National Reforestation Plan and Parnitha flagship investment”** aims at restoring selected forest ecosystems in Greece that suffered from natural disasters and implementation of actions for adaptation of forests to climate change. This investment has two

parts. First, the restoration of 16,500 ha of degraded forest ecosystems in Greece. The project shall cover both reforestation studies and their implementation. Second, a flagship project for Mount Parnitha, north of Athens, which shall restore its natural environment, better protect it from wildfires, improve access to it and reconstruct abandoned facilities for mild uses. The clean-up of the forests has begun and the invitations for technical consultants will soon be issued. Following the launching of the tenders for works and equipment for all sub-projects by Q3 2022, the award of the contracts for the implementation of the reforestation will be concluded by Q2 2023.

The authorities also promote an investment under the title **“HEDNO overhead network upgrading in forest areas”**, which will contribute to the green transition, as it will include the replacement of bare conductors in the overhead electricity distribution network (with covered ones or a twisted cable), the installation of insulating covers, and the undergrounding or relocation of the electricity distribution network passing through forest areas. The project shall improve the resilience and reliability of the network (energy quality indicators SAIDI, SAIFI) and better protect the environment (forests, wildlife). The final budget stands at EUR 124 million (RRF Budget: EUR 40 million). By Q4 2022 the tender documents of all contracts related to projects on overhead networks in forest areas will be published.

In the field of waste management, an important reform is the **“Waste management law for the implementation of sustainable landfilling and recycling and establishment of a waste management regulator”** which includes a revision of the existing legislation with a view to enabling the transition towards increasing recycling and promoting a circular economy. In particular, the reform introduces incentives for municipalities to achieve higher recycling rates, enforces separate collection of metal, paper, glass and plastic and bio-waste by the end of 2022 and, extends the “Producer’s responsibility” scheme, upgrades the operation of recycling sorting facilities and simplifies the legislation around green points. It shall support the achievement of targets of increasing reuse and recycling rates of municipal solid waste to 60% and reducing the landfill rate to 10% by 2030. The national waste regulatory authority that shall be put in place in the context of this reform shall inter alia be responsible for ensuring the soundness of the pricing policy, supervision of waste management implementation across the country, and supervision of the proper functioning of the regional and local waste management utilities. The implementation of the reform shall be completed by 30 June 2023. The new waste management law has been enacted since Q3 2021 introducing, inter alia, incentives for municipalities to achieve high rates of reuse and recycling, as well as establishing a landfill tax” and ensuring its implementation. Next steps including the elaboration of draft legislation for the establishment of a waste management regulator law will be concluded by Q2 2022.

Finally, the investment **“Biodiversity Protection as a driver for sustainable growth”** will be a driver for sustainable growth, aiming at the effective conservation of biodiversity in protected areas. The investment consist of projects aiming to protect biodiversity, including: (a) the establishment of a national network of paths and hiking trails, (b) the enhancement of environmental protection, through the implementation of a National System for Permanent Monitoring of species and habitat types, (c) a National System for the Surveillance of Protected Areas, (d) the introduction of multimedia applications, bioclimatic and energy upgrade of the building facilities of the Protected Areas Management Units, (e) the modernization of the information centres of the Protected Areas Management Units, (f) the creation

of an integrated digital platform which offers information on protected areas such as ecotourism activities and (e) the promotion of local products under the umbrella of a 'Nature Greece' brand. Tenders for works and equipment for all sub-projects will be launched by Q3 2022.

### **Part C - Not RRP related**

Another important set of reforms are being implemented outside the RRP framework. One of them corresponds to the **transfer of forest services from the Decentralised Administration to the Ministry of Environment & Energy**. The current organisational reform aims at improving organisation and coordination between the competent forest services in order to enhance the preparedness of the forest fighting mechanism. The reform was initiated immediately after the devastating forest fires of summer 2021. Moreover, a new Secretariat for Forests has been established in January 2022. The administrative completion of the transfer of the Services and personnel will take place by May 2022.

A significant step towards a new model for the management of protected areas (PAs) in Greece has been **the establishment of the Natural Environment & Climate Change Agency (NECCA)**. The Agency is the sole successor of the National Center for Environment and Sustainable Development (NCESD) and of the 36 separate management bodies of PAs, in accordance with the relevant legal provisions. The Agency is a legal entity under private law and is supervised by the Ministry of Environment and Energy. Its actions focus on the holistic collection and recording of environmental information, the implementation of research studies of environmental nature, the support of the Ministry of Environment and Energy to meet national obligations set in EU legislation, the dissemination of environmental policy, and the increase of public awareness on environment issues and sustainable development. Currently, 28 out of 36 Management Bodies of PAs have been incorporated into NECCA and the rest are expected to be incorporated into the Ministry by the end of April 2022.

Finally, the **compilation and modernization of forest legislation into a single and modern text** for ensuring and facilitating the immediate and rapid access to the legislation by all interested citizens, businesses, legal and public administration stakeholders, including the judiciary authorities and local forest services, is planned to be achieved through codification. The project started in 2021 and it is now at 95% of completion. The codified document will be finalised by September 2022 and then will be submitted to the Parliament for ratification by the end of 2022. More detailed information is provided on Table 1 – 2019 CSR 2, subpart 2.

## **3.9 Very-high capacity digital infrastructure and digital technologies**

### **Part A - Introduction**

The digital transformation of the country is a great challenge but also a complex and difficult task. The rapid technological changes combined with the low digital maturity of Greece call for urgent and immediate action on multiple axes through the implementation of a holistic digital approach. In this perspective, the digital transition is supported through measures aiming at enhancing connectivity, improving the digitalisation of public administration and businesses, and contributing to the digital transformation of public services and economic activities. The NRRP promotes investment in submarine

cables and 5G networks. It also includes important investments in the digitalisation of public services, including the upgrading of the digital infrastructure of the Greek public administration, alongside reforms to simplify and improve public administration processes.

#### **Part B - RRP related**

The Digital Transformation Bible constitutes the main source outlining Greece's digital strategy, through a comprehensive document that describes its objectives as well as an action plan for implementation. In the context of RRP, several reforms and investments support the strategy. One of the most significant reforms in this setting is the one that concentrates on the development of a holistic framework for the provision of **Public Administration user-oriented services** to Greek citizens and businesses as well as for the enhancement of the internal functioning of the Greek Public Administration. The reform aims to establish the required policies, procedures and digital transformation solutions that will facilitate the development of a new administrative environment for Greece.

Moreover, two separate RRP Reforms provide for the framework that coordinates the activities around connectivity, one of the biggest challenges that the Ministry of Digital Governance is addressing. In regard to the **transition to 5G technology**, the reform consists of the implementation of a coherent plan regarding the preparation and monitoring of the development of 5th generation networks in Greek highways, by examining the opportunities on the creation of innovative digital infrastructures, streamlining processes for the development of 5th generation networks, strengthening the competitiveness of key economic sectors (i.e. tourism, transport) and reviewing processes for the development of innovative initiatives that will capitalise on the benefits of 5G networks. A complementary reform that focuses on **fast broadband connections**, concerns a coherent initiative for the development of submarine cables in the Greek islands to accelerate citizens' access to ultra-high speed network connections. Relevant RRP investments are connected to the aforementioned reforms.

One of the main projects aiming to accelerate the adoption of 5G Networks is the **“5G Corridors”** investment, a project funded primarily by the RRF. It includes the development of the necessary 5G infrastructure into major Greek highways (2,397 km, 1,918 km funded by RRF) that are part of the Trans-European Transport Networks, in order to serve the needs for Connected and Autonomous Mobility by using 5G core technological innovations and connected with other countries. Along sections of corridors where motorways and rail run in parallel, the deployment plans shall seek to include rail corridors as well. The launch of the project tender is expected by Q4 2022.

Another key project addressing the connectivity barriers of remote regions is the **“Submarine fiber cables”** investment, that aims to deploy modern submarine fiber cables to connect the mainland with the Greek islands, ensuring reliable backhaul connectivity to all islands with population of more than 1,000 equivalent inhabitants (taking into account holiday homes and tourist peak population), which are not served by existing or planned submarine cables. The investment will be designed to complement existing cables with new cable branches that will connect underserved islands to the main islandic backbone. Furthermore, it will modernise existing congested links in order to extend their capacity as well as create alternative routes to increase reliability and resilience of the overall cable system.

Moreover, it will allow for Gigabit connectivity to Socio-Economic Drivers and will facilitate 5G roll-out, including the implementation of "5G communities", in the framework of the CEF Digital Program. At the same time, it will empower the people and businesses of the Greek islands with better, faster, and more widespread internet coverage. The project will be implemented through an open tender, expected to be launched in Q2 2022, and it will be complemented with a submarine fiber cable that will connect Greece with Cyprus, aligned with the European Data Gateways policy.

Furthermore, the "**Small-satellites**" investment's main objective is to develop, manufacture, put in orbit and pre-operate small-satellites capable of hosting multipurpose and multiple payloads in response to European and national needs primarily for secure connectivity, and secondarily for the provision of multipurpose services. The project will build upon the national governmental satellite communications system (GreeCom) operational today, enhancing it with additional security capabilities for governmental users. The investment is a major step towards the implementation of Greece's strategy for utilising space technologies and applications for the provision of advanced telecommunications services and their incorporation to the Greek economy. The development of the small satellites (space and terrestrial part) is expected to increase the capabilities of the Greek high-tech industry in order to develop advanced digital services. The call for tenders for the project is scheduled for Q4 2022.

The "**Smart Cities**" project, also included in the Digital Transformation Bible, is the cradle of digital transformation in a regional environment. The project aims at the development and operation of systems that will improve traffic and parking conditions in cities, as well as the safety of citizens and provide for better waste management, measurement of environmental parameters in public space and better management of water resources. The project concerns the 16 largest cities in Greece **with more than 100,000 inhabitants** and Trikala as a champion city. The 17 municipalities have already submitted to the Ministry of Digital Government their Smart City Strategic Plan and until June 2022 they will submit the technical specifications to begin the rollout of their smart city project.

#### **Part C - Not RRP related**

To face the challenge of the necessary rapid digital transformation, an important organisational reform came with the establishment of the new **Ministry of Digital Governance**. For the first time, a large part of the critical IT and telecommunications structures, related to the provision of digital services to the citizens and the wider digital transformation of the country, are concentrated under one controlling, coordinating and supervising authority. Furthermore, **Law 4727/2020** came to regulate and codify digital governance issues in the public sector, summarising and updating more than 120 provisions of scattered legislation of at least 15 years, while setting the regulatory framework upon which the digital State will be structured in the next decade. The Law also transposes Directive (EU) 2018/1972, establishing the European Electronic Communications Code, as well as Directive (EU) 2019/1024 on open data and the re-use of public sector information. Moreover, it contains provisions for the digital state, the electronic communication, interactions and transactions with the state through information technology, digital governance, electronic documents and digital public services, open data and includes a chapter on the development of a digital 5G ecosystem deployment in Greece.

Additionally, the **Digital Transformation Bible** (2020 - 2025) adopts and implements the key guidelines and commitments contained in Law 4727/2020. It is the main strategic document, which sets priorities and outlines the guiding principles, strategic axes, and interventions on a horizontal and vertical level that aim to enhance and support the digital transformation of the Greek society and economy. The strategy underlines seven primary objectives as well as supporting activities across specific areas and describes the objectives and the implementation measures. Within this direction, the Digital Transformation Bible concerns the implementation of more than 400 projects. The formulation of the Action Plan of the strategy is an open and dynamic process, as new actions are added when needed.

Concerning limited connectivity, three main projects aim to improve the country's profile, namely UFBB, WiFi4GR and SFBB. **UFBB** is a PPP infrastructure deployment project, with a total estimated budget of EUR 700 million which is funded by ESIF, national resources and private funds. This project aims to provide VHCN connectivity to almost 18% of the population. The tendering procedures have been completed and the contracts are anticipated by the end of 2022. **WiFi4GR** is a project funded by ESIF and national resources, with a total estimated budget of EUR 15 million and aims to implement 2,500 hotspots throughout the country. **SFBB** is a demand stimulation action, with a total budget of EUR 50 million and funded by national resources. The goal of this project is to subsidise the use of VHCN services, with EUR 360 for 24 months. The action has been fully completed by the 30th of March 2022. At the moment, there is a consultation with DG COMP for an extension of the same action for six additional months. Especially for the rural areas, the **Rural Broadband** project is a PPP project, which is funded by ESIF. This project aims to provide NGA wholesale services to 5% of the population living in rural, NGA white areas. The project has been completed and commercial services are already available. Further improvement of the VHCN availability will be provided with the UFBB project. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 7.

The updated **NGA plan** adopts the Gigabit Society targets and includes a roadmap that aims to achieve these specific targets. The NGA plan has been submitted to the European Commission, as part of the assessment for the fulfilment of the relevant enabling conditions as those are presented in the Programming Period 2021-2027. In order to facilitate the development of the 5G ecosystem, an innovative State-run investment fund known as the Phaistos Fund was established.

Furthermore, in August 2021 a special governmental portfolio was created regarding the **digitalisation of Local Administration**. The implementation of a smart cities program of approximately EUR 320 million, funded by both the RRF and the Cohesion Funds, was announced in October 2021. The Ministry of Digital Governance has already designed the framework under which EUR 220 million of the program will be allocated to the Municipalities with **population under 100.000 inhabitants**. The Ministry is preparing the call for all municipalities to submit fiches for these projects according to their special needs. The call is expected to be launched until the end of 2022. By Q2 2023, the majority of proposals are expected to be approved. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 9.

Moreover, the **Programme “Antonis Tritsis”** has been established with the main purpose of implementing an integrated and strategic planning through local governments. The main emphasis has been given to smart and sustainable infrastructure by funding relevant cities' initiatives. The programme



will be implemented by the end of 2023, while its resources amount up to EUR 2.5 billion. In case high absorption is achieved, there is a possibility of additional funding.

### 3.10 Promote digital transformation of businesses

#### Part A - Introduction

The promotion of digital transformation of businesses aims to increase the take up of digital technologies by businesses, reducing the digital gap between Greek small and medium sized enterprises (SMEs) and the EU average. This is going to be achieved through a set of investments and reforms focusing on the creation of digital infrastructure through funding for the acquisition and implementation of digital tools and processes and increasing the digital awareness of businesses. Focus is also placed on facilitating and making more transparent the interactions between businesses and State authorities, while in parallel supporting a green transition. In addition, investments concerning industry such as creation of new industrial parks foster the deployment of digital advanced technologies within the Greek industry, while digitalisation is stimulating innovation across the science and research sector. Numerous projects in the area of applied research aim to develop digital technologies for business applications. Innovation in the ICT sector is expected to be connected with entrepreneurship and the development of a digital portal for innovative start-ups will promote networking between them and other enterprises.

#### Part B - RRP related

The way the government and the public sector store and use data is extremely important, mostly due to its direct link to the ability to make effective data-based decisions. Utilising the huge public sector data source can make a decisive contribution to the strengthening of the national economy in the context of its transformation into a knowledge economy. Especially for domestic entrepreneurship, the availability of public data will enhance the creation of a climate conducive to the development of small and medium-sized enterprises. In order to address these challenges, the reform supports the implementation of a **Data Governance Strategy & policies for the Public Sector**, focusing on the reuse of public data as well as enhancing the effectiveness of digital governance with the aim to provide effective services to citizens and businesses. For this purpose, all enabling secondary legislation of law 4727/2020 relating to open data will be adopted until Q4 2022.

With regard to the digital transformation of businesses, the Greek authorities are implementing a set of comprehensive measures. One of the key initiatives is the investment **Research - Create – Innovate** which aims to fund 36 excellent proposals having as main objective to link academia and the productive sector. The investment aims to connect research and innovation with entrepreneurship with the ultimate objective of transitioning to quality, innovative entrepreneurship and increasing domestic added value.

Moreover, the **Digital transformation of SMEs** investment aims to fill up the gap and strengthen the position of SMEs in the global market. In addition to digital transformation solutions, the program includes a range of simple digital solutions which are very important in enhancing the resilience and

flexibility of businesses and enabling them to perform better than their competitors in turbulent or unstable environments. The services covered by the project are related to the Business Software and Applications, as well as Cloud Platforms and Tools, encompassing all aspects of commercial business activity. In June 2022, Greek SMEs will be able to submit applications for vouchers available to use within 5 months. At the same time, the project will support Greek ICT companies to develop cloud services and products to strengthen their position in the Greek market. The platform for the submission of their investment plans is going to be open in June 2022 and the subsidy will start from EUR 200,000 up to EUR 2 million per company. Simultaneously, a legislative provision is being prepared according to which companies that have been digitally transformed using digital solutions will have tax incentives.

Furthermore, the state aid program **New Industrial Parks** aims at developing new generation industrial parks, focusing on actions that will fully support the digital transformation and the creation of smart industrial areas to adapt to the needs of Industry 4.0, sustainable development, and addressing challenges such as the climate change and the current energy crisis.

Additionally, under the project **Extroversion of the Research and Innovation Ecosystem of Greece**, funded by RRF, the **ELEVATE GREECE** platform, a digital portal for accredited start-ups with features of innovation and scalability will be developed. ElevateGreece S.A, a state-owned company that operates, and will further develop, the start-up ecosystem as a whole will also promote: i) networking between innovative start-ups and enterprises, ii) the extroversion of the registered start-ups, iii) the attraction of investment funds from venture capital and business angels.

Last but not least, through the implementation of flagship actions in interdisciplinary scientific areas with special interest in connections to the productive industry, it is expected that the implementation by the potential beneficiaries of research projects of significant scientific value will contribute to the strengthening of the links between science and business and will contribute to the reversal of the "brain drain" phenomenon. There are eight projects related to cutting-edge topics across the spectrum of research interest in the frame of **Basic & Applied Research** RRP measure.

In order to tackle the slow deployment of digital advanced technologies in Greece, the authorities designed a project regarding the acceleration of smart manufacturing. This aims to financially support very small, small, and medium-sized manufacturing enterprises of the Greek industrial ecosystem, for adapting to the needs of the digital and green transition. The primary goal is to increase business competitiveness and establish a resilient and future-oriented industry, through the enhancement of technological/digital infrastructure and the upgrade of manufacturing equipment using, inter alia, AI, robotics, machine learning, automation, etc., with zero environmental impact.

#### **Part C - Not RRP related**

The effort of Greece to expand economic activity beyond traditional and low-innovation sectors is shown by supporting other projects such as the establishment of **Innovation District** (ΧΡΩΠΕΙ) in which start-ups, large companies, academic institutions and start-up incubators / accelerators will be able to coexist and collaborate. The aim is to bring research centres closer to companies, creating the right conditions to produce commercially viable innovative products and services. In a similar context,

participation in Important Projects of Common European Interest (IPCEI) for enhancing EU industrial strategic value chains in critical sectors of the European market, such as smart health, aims at developing synergies across the EU for reinforcing the European market in this area. More detailed information is provided on Table 1 – 2019 CSR 2, subpart 4.

Moreover, the initiative **Linking Research and Innovation** with entrepreneurship and creating collaborative structures, enables: a) the development and utilisation of high value innovative products and services with international recognition and a high degree of competitiveness (Cooperative Innovation Formations-Clusters) and; b) the creation and function of Competence Centres whose main purpose is to booster innovation of Greek economic sectors through specialised, innovative services and products and know-how transfer towards businesses, specifically SME's. More detailed information is provided on Table 1 – 2019 CSR 2, subpart 4.

Furthermore, the European Commission has approved the new Programme "**Competitiveness 2021-2027**", which includes a programme for promoting innovation investments on the basis of a new Smart Specialisation Strategy focusing on eight sectors of economic activity.

Aiming at fostering the deployment of digital advanced technologies across all economic sectors, the Greek authorities launched the project of **Digital Transformation of Greek Industry**, regarding the implementation of the national strategy for the promotion of the 4th industrial revolution - Industry 4.0 for the years (2021 - 2027). The project will contribute to (a) the development of a common understanding between the public administration, companies and citizens about the technology groups that make up Industry 4.0; and (b) the effective use of European Structural Funds and other funding sources. In view of the new Programming Period 2021- 2027, actions/projects that could be funded and implemented under the above framework are currently under planning. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 10.

In addition, under the programming period 2021 -2027, there are actions to promote the digital transformation of SMEs through Policy Objective 1 and ERDF Specific Objective (ii) ("reaping the benefits of digitization for citizens, companies, research organisations and public authorities").

### **3.11 Education**

#### **Part A - Introduction**

Reforms put forward aim at developing skills across all levels of education, enhancing autonomy of education units and institutions along with establishing a strong feedback and accountability framework, promoting inclusion and quality, strengthening the connection of the education system with the labour market, as well as supporting extroversions and international collaborations. The Covid-19 pandemic acted more as an accelerator for the digital transformation of education rather than as an obstacle for the timely implementation of planned reforms, which are further promoted through the upcoming University Reform Bill.

## Part B - RRP related

Greece continues and intensifies the implementation of major investments for the **Digital transformation** in education. The relevant NRRP investment aims to achieve an inclusive digital educational model (in terms of content, infrastructure and services) in Greece, which is a prerequisite for building a resilient, extroverted Greek economy in the long term. The subproject on vouchers for technological equipment for students has already been completed (Q4 2021). A tender of public consultation was launched (Q1 2022) for the provision and installation of interactive learning systems and for robotics and STEM learning infrastructure) and contractors/suppliers are foreseen to be selected by Q4 2022. The subproject on vouchers for technological equipment for educators is currently being implemented and is expected to be completed by Q4 2022. Business requirements for the remaining sub projects are currently being finalized and will be followed by submission of requests for proposals (RFPs) in Q2 2022. Subprojects on the digitalisation of educational content, on school vocational guidance using Artificial Intelligence (AI), on digital tools for students with disabilities, on the development of Innovation Centres, on the digitalisation of school services and on the digitalisation of university services are expected to proceed to the tender phase by Q3 2022, while the subproject related to teacher training actions is expected to enter this stage by Q4 2022.

Moreover, the Greek Government attributes a clear priority to **upgrading the Vocational Education and Training (VET) System**. The overall VET framework aims to making VET an appealing educational pathway, primarily by improving its connection with labour market needs while boosting productivity and reducing unemployment. The RRP reform 'Upgrading Vocational Education and Training' includes 4 subprojects, all of which are currently at the development/maturity phase. RFPs for subprojects are expected to be approved by Q2 2022 and will be followed by publication of tender. A relevant RRP Investment project mainly vis-à-vis the supply of equipment for VET Labs and the funding of traineeships is expected to be submitted for approval by Q2 2022. Tender phase will follow, and the majority of contracts are foreseen to be signed by Q2 2023. Moreover, another related project is **Strengthening the Apprenticeship System** which aims to re-establish the apprenticeship vocational schools of the public employment service (DYPA) as an integral part of the government's VET strategy. Notably, the reform includes the design and implementation of a new system to improve the quality control on the VET schools of DYPA (EPAS), and the assessment and monitoring of students' performance in the labour market, the simplification of learning processes and the integration of new methodologies and tools such as e-learning platforms and digitized training content, both for apprentices and trainer.

As regards higher education, **enhancing the link of Higher Education Institutes (HEIs) with the labour market** will have benefits not only for students (e.g., upgrading of job prospects), but also through the increase of potential funding, bearing numerous positive spill-over effects across the Greek economy and society. By Q4 2021, a new law was introduced, setting a more effective and flexible framework for the operation of spin-off companies, facilitating HEIs' research activity and incentivizing innovation and entrepreneurship. A new bill for HEIs will enter public consultation by Q2 2022, with significant provisions for the link of HEIs to the labour market, including the upgrading of internships, industrial PhDs, as well as a more flexible framework for the operation of start-ups. Sub-projects of the RRP reform 'Strategy for Excellence in Universities & Innovation' also aim to enhance the quality of Greek

HEIs and strengthen their relevance to the job market. RFPs for subprojects are expected to be approved by Q2 2022, while calls for proposals are expected to be published by Q3 2022 for the subprojects on clusters of excellence and on industrial PhDs. The subproject on Universities of excellence is foreseen to enter the call for proposals stage by Q1 2023.

Moreover, the Ministry of Education continues to support actions related to the **extroversion and internationalisation of HEIs**. The internationalisation of HEIs is a key priority of the Ministry's reform agenda to render HEIs better connected to the global education community and broaden their scientific horizons. Significant steps have already been made towards this direction, on a legislative, funding, and strategic level. The strategic partnership with the USA has resulted in the establishment of several partnerships with top-tier universities, including Harvard, Columbia, and Yale, while the strategic partnership with the UK is also expected to lead to specific partnership programs. The action on visiting professors is expected to be approved by Q2 2022, while calls for proposals are expected to be published by Q3 2022. The upcoming bill will further decentralise decision-making vis-à-vis internationalisation, providing Greek HEIs with increased possibilities for transnational mobility and collaborations on studies/research. The bill also includes provisions on the modernization of the Hellenic National Academic Recognition and Information Center (Hellenic NARIC - DOATAP), offering a more flexible framework for the academic recognition of degrees from foreign HEIs.

Furthermore, the **development of a comprehensive curriculum and program for schools aiming at the cognitive development of infants from 3 months to 4 years to prepare them for a smooth integration into primary education** constitutes an innovative reform that will enhance the enrolment of babies and toddlers to early childhood centres that offer high quality services and provide all the necessary stimuli for their physical and mental development. It is expected that babies and toddlers will have greater opportunities to better integrate into the primary school, having reached a developmental level that will render them more receptive to learning. Moreover, based on this reform, children with learning difficulties will be identified earlier and they will have the opportunity to receive early intervention. The areas of a child's development targeted in the specific curriculum for early preschool age, which include physical development, health, personal care, socio-emotional development, cognitive development, language development and communication, as well as developing skills and attitudes in learning are essential to achieve a customised education by identifying each child's potential and cognitive obstacles/challenges. . The mandatory legal provisions have been voted for the implementation of both the curriculum and tests in the private and public early childhood centres, while the design of the pilot project has been started. The pilot project will start with the beginning of the next academic year 2022-2023 and will take place in almost 200 early child centres.

### **Part C - Not RRP related**

The introduction of **new school curricula**, is a key pillar of the reform efforts of the Ministry of Education and a breakthrough for the country's educational standards. New school curricula focus on learning outcomes rather than the mere transfer of knowledge, include updated material in line with cutting-edge scientific developments and bear a significant emphasis on the cultivation of students' skills, including digital skills. The revamp of 166 school curricula across all subjects of all grades of General

Education has been completed and the new curricula began to be implemented on a pilot basis in all (112) Model and Experimental Schools. The second year of pilot implementation will have been completed by June 2023, the objective being to gradually introduce the new school curricula in all schools by the school year 2023-2024.

Complementary to the above, the Ministry of Education has successfully introduced the **evaluation of school units as well as of teachers**. Evaluation is a prerequisite for the improvement of the quality of the education system, while it is also a necessary complement in the process of decentralising responsibility and reducing bureaucracy. In July 2021, Law 4823/2021 introduced the framework for the evaluation of individual teachers. The evaluation of school units is implemented universally (approximately 99.5% of schools), for the first time in Greece. School units have already submitted the first internal evaluation report for the school year 2020-21 and the first collective planning report for the school year 2021-22 and relevant action plans. Regional education staff members will compile external evaluation reports based on the material submitted by schools and overall conclusions will be drawn by the Authority for Quality Assurance in Primary and Secondary Education (ADIPPDE).

In higher education, **enhancing the HEIs' autonomy** and reducing red tape will enhance the performance and quality of HEIs by optimising decision-making processes. A new bill for HEIs will enter public consultation by Q2 2022, with significant provisions for the decentralisation of HEIs, mainly vis-à-vis the governance model, the undergraduate, post-graduate and PhD programs, as well as research and the pursuit of entrepreneurship. More detailed information is provided on Table 1 –2019 CSR 2, subpart 5.

### 3.12 Skills, including digital skills and employability

#### Part A - Introduction

In the post-pandemic labour market landscape and with a view to promote sustainability in the labour market, the need to promote reskilling and upskilling in order to reduce skills mismatches is a crucial prerequisite for higher employment, productivity and inclusive growth. In this direction, Greece has undertaken reforms that aim to strengthen the link between education and training and the labour market, develop skills for frontier areas of economic activity including the green and digital transitions, and introduce a quality assurance framework for all upskilling- reskilling programmes.

#### Part B - RRP related

A major policy intervention towards meeting the objectives stated above is the Active Labour Policies' Reform, discussed in detail in subsections 3.3 and 3.4.

In addition, the reform **Labour force skilling, reskilling and upskilling through a reformed training model** aims at improving quality control) in the public employment service's (DYPA) vocational training units, updating their modules in accordance to current and future labour market needs, promoting e-learning and the digitisation of training content, and reforming the employment and vocational training

account (LAEK) that funds vocational training programs for employees. This is coupled with investment in renovations of laboratories and equipment supply.

In addition, the **new strategy for lifelong skilling** aims to improve the lifelong learning framework, with a view to increasing its quality and labour market relevance. Notably, the reform shall allow for better monitoring and meeting the demand needs of the labour market through the modernization, upgrade, and interconnection of existing datasets of different ministries and agencies, including the Labour Market Diagnosis Mechanism established in 2016. The reform shall also establish Lifelong Skilling Accounts (LSAs), which is expected to serve as the main tool for providing ongoing training depending on individualised needs, and a new National Eligible Training Provider List that shall apply minimum inputs-based quality criteria on trainers. Finally, and very importantly, the reform shall lead to the establishment of a new governance structure, the National Skills Council that shall be based in DYPA and be responsible for the annual update of the National Skills Strategy. The reform is accompanied by an investment in horizontal upskilling programmes targeting various population groups and aimed at providing baseline and medium-level digital skills, green skills and financial literacy skills. The implementation of the reform and investment shall be completed by 31 December 2025.

Moreover, the reform mentioned above for **strengthening the apprenticeship system** intends to help young people that are not in education, employment or training acquire and maintain skills that will enable them to participate fully in society and manage successful transitions in the labour market. The apprenticeship system combines school-based theoretical and laboratory training with remunerated apprenticeship () in the private and public sector. The system of on-the-job training implemented by DYPA has proven to be particularly effective in practice, as a significant percentage of students continue to be employed after the end of their studies. Implementation of the apprenticeship programme is in progress for the school years from October 2021 to June 2023.

#### **Part C - Not RRP related**

In the same direction, the project for **upgrading capabilities and expanding the operation of the National Labour Market Needs Diagnosis Mechanism for the period 2021-2023**, is structured in three subprojects including the extension of the mechanism's operation for 2021-2023; the analysis of secondary data for education; and the labour market through the use of business intelligence software, as well as the development of an integrated system of policy documentation in the fields of skills forecasting and tracing of trainees' progress in the labour market. More detailed information is provided on Table 1 –2019 CSR 2, subpart 6 and 2020 CSR3, subpart 8.

### **3.13 Research and Development**

#### **Part A - Introduction**

The Greek authorities intend to increase public and private investment in research and development (R&D), strengthen the links between science and business, and develop a pioneering R&D infrastructure. This will be achieved through a series of projects, as well as through reforms aimed at encouraging innovative companies to invest in R&D. The measures described below will help strengthen the links

between academia and the productive sector in order to increase the competitiveness of Greek industry, increase the productive deployment of intellectual property rights, reverse "brain drain", strengthen the Greek start-up innovation ecosystem, and mobilise business R&D expenditure. The fundamental axes of intervention have as follows:

- A. Strengthening of the link between science and business through several measures, including a reform that increases the extroversion of the Greek R&D ecosystem, the utilisation of HORIZON program that promotes the cooperation of R&D ecosystems with other countries, as well as the Elevate Greece platform for the emergence of newly established R&D companies.
- B. Promotion of public and private investment in R&D. Related measures include the development of the Research Create Innovate program to promote innovative ideas, as well as the creation of a program to fund basic research in areas of significant growth. This axis also includes measures on the upgrading of research centres' infrastructure, and the creation of a new generation of technology parks to develop collaborations between academic research and the business community. Finally, the development of an information system that will facilitate real time decisions for natural phenomena and natural disasters will contribute significantly to areas of security, defence and civil protection.

Based on provisional data for 2020, gross domestic expenditure for research and development (GERD) increased both in absolute terms and as a percentage of GDP. Specifically, it reached 1.50% of GDP, increased from 1.28% in 2019 and 0.70 in 2012 and the national target is set at 1.81% for 2030. According to official statistics, GERD is steadily growing, though still at a relatively low level.

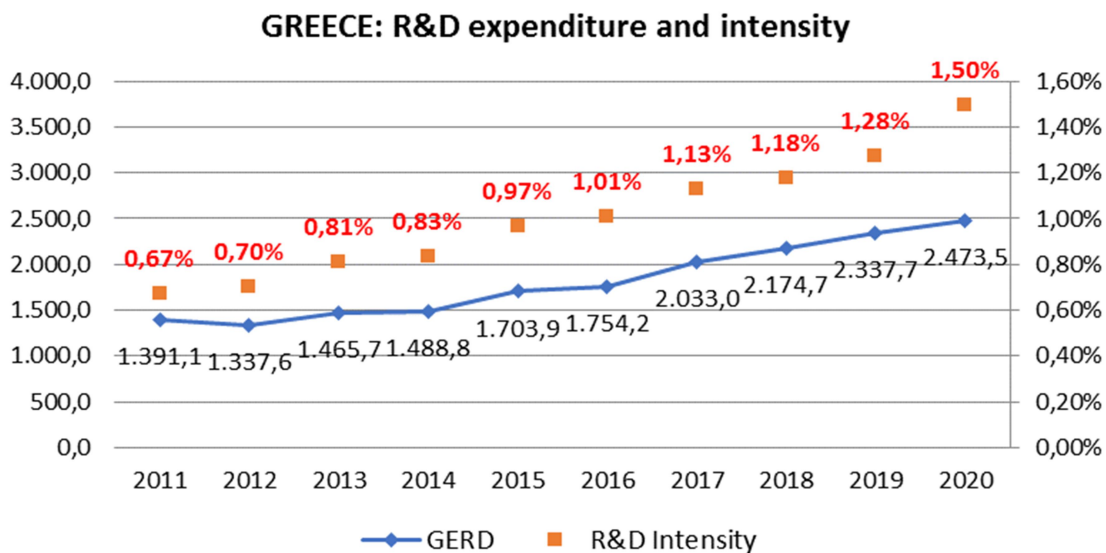
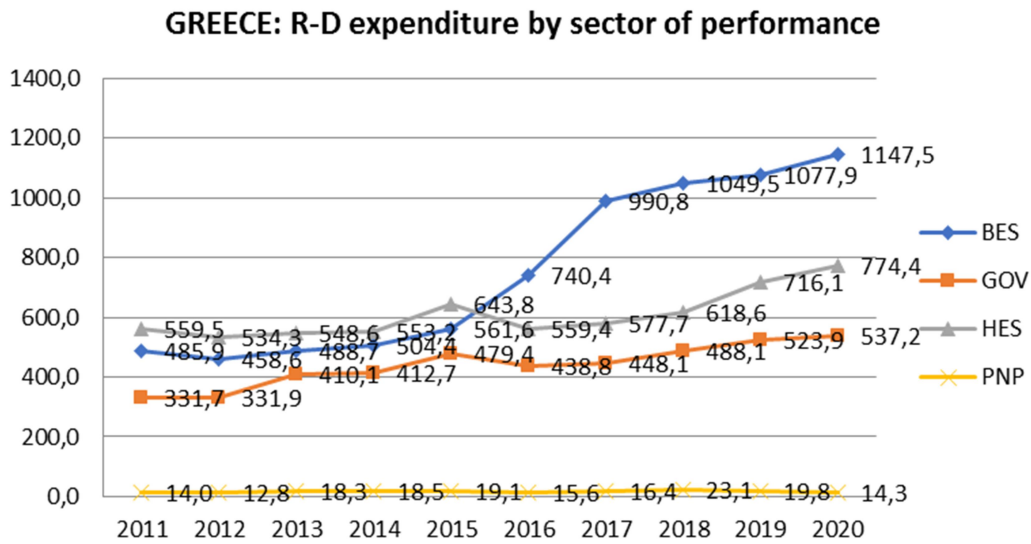


Figure 1 - R&D expenditure and Intensity



The increase in R&D expenditure is recorded in the Business Enterprise Sector (BES), in the Public Sector (GOV), in the Higher and post-secondary Education Sector (HES) and in the private non-profit (PNP) organisations.



**Figure 2 - R&D expenditure by sector of performance**

#### Part B - RRP related

Within the framework of the RRP measure on basic and applied research there are eight sub projects that aim at: a) fund basic research with horizontal support for all sciences including the ICT sector, b) promote flagship actions in interdisciplinary scientific areas with special interest in connections to industry, c) establish a Molecular Oncology Network, an Unmanned Systems R&D Centre, an applied R&I Institute on AI, as well as the develop data processing and algorithms, d) Deliver market-translatable sustainable materials technologies in collaboration with MIT and e) ensure participation in European Partnerships Euro-HPC (High Performance Computing) and Key Digital Technologies..

Moreover, an important investment in the **creation, expansion and upgrade of research centres' infrastructure** has been launched. The investment includes co-financing by the European Investment Bank and aims to upgrade/expand the infrastructure of 14 Research and Technological Centres, and enhance their research capacity and capabilities in important areas of science and technology. The call for proposals for the 14 Research and Technological Centres has been launched and the project's implementation period is estimated at 2-3 years.

The **Research - Create – Innovate** project will fund 36 proposals assessed to have a very high score in the “excellence” criterion in RIS3 sectors, but have not been financed due to budgetary constraints. The main objective is to link academia and the business community. In particular, the investment aims to connect research and innovation with entrepreneurship, with the ultimate objective of transitioning to quality, innovative entrepreneurship and increasing domestic added value. The call for proposals has

been launched, the submission of proposals has been completed and the first decision for the funding of 13 projects has been issued.

Furthermore, and with a view to contribute to the **extroversion of the research and innovation ecosystem**, the **ELEVATE GREECE** platform, a digital portal for accredited start-ups with features of innovation and scalability will be developed through RRF funding. ElevateGreece S.A is established by Law 4914/2022 as a state-owned company that will operate and further develop the start-up ecosystem with the aim to promote networking between innovative start-ups and enterprises, the extroversion of the registered startups, and the attraction of investment funds from venture capital and business angels.

Last but not least, the investment **TH 2 ORAX: Trellis Holistic & Hybrid Operational Ruggedized Autonomous eXemplary system** is an applied research project about the creation of a next generation integrated information system based on Artificial Intelligence & Machine-to-Machine Learning technologies which "composes" different types and forms of collaborative infrastructure with a direct impact on the way institutions make real-time decisions on security, defence and civil protection. The design & preparation of the public contract and the award procedure will have been completed by Q2 2023.

#### **Part C - Not RRP related**

**The design, preparation, and validation of a national strategy for research, technological development, and innovation (ESETAK)** is a fundamental obligation of the State. It concerns all the actions, which aim at the methodical and effective promotion of basic and applied research, technology and innovation and the forecast of the means required for the realisation of the strategy. A major component of ESETAK is the national RIS3 strategy expected to be finalised in the first half of 2022. ESETAK, as a broader strategy that incorporates the national RIS3, is expected to be completed by Q4 2022.

Beyond the aforementioned RRP investment, **the Research-Create Innovate** is a state aid action under Regulation 651/2014 supporting Research and Innovation projects that is 100% RIS3 compatible and is co-financed by Greece and the European Regional Development Fund (ERDF). Its objectives are to link research to market and economy needs, increase research-related jobs, integrate new knowledge and innovation into existing but also new products, services, production systems and value chains, and enhance economic growth based on knowledge. A total of 1,137 research and innovation projects are funded with main beneficiaries being enterprises (72%), including SMEs, universities and research institutes.

In addition, another important investment is **the support of national research infrastructures** which is included in the Programming Period 2014-20 as a multiannual financial plan for research infrastructures, supporting investments in large-scale national research infrastructures (RIs. The concept of RIs is not limited to buildings and equipment, but also comprises human resources, know-how, information, networking, and all intangible assets required for their operation and optimal use. The Plan includes 28 RIs, selected according to criteria of scientific and technological excellence, and perfectly aligned with

the RIS3 objectives. By the end of Q1 2022, more than 92% of the budget has been already allocated to the beneficiaries. Through the Policy Support Facility of the European Commission, performance and impact of the 28 RIs are assessed, mainly as far as their international visibility and long-term sustainability are concerned. The assessment will be used for the development of the national policy agenda for RIs in Programming Period 2021-27 and the final report is expected to be available by Q2 2022.

In a similar context, the **Innovation District (ΧΡΩΠΕΙ)** is a project regarding the Establishment of an Innovation Center, where start-ups, large companies, academic institutions and start-up incubators / accelerators will be able to coexist and collaborate. The aim is to bring research centres closer to companies, creating the right conditions to produce commercially viable innovative products and services. The scientific, technological, social and/or economic impact that will result from the commercial exploitation of research results is of paramount importance.

To facilitate the **development of the 5G ecosystem**, a State-run investment fund known as the Phaistos Fund has been established. Its purpose is the investment in businesses (start-ups or otherwise) which are active in the research and/or development of solutions based on 5G. Eligible companies could be active in sectors like transport, logistics, manufacturing, industry, defence, goods and utility networks, health, tourism, information, and media. The fund was established under Law 4727/2020 and operates in the public interest in accordance with private economy rules. It is funded by 25% with the proceeds of the auction for 5G network frequencies. A parallel target is the participation of the private sector and the attraction of private funds with a value of up to 30% of the State funding. The State binds a zone of specific radio frequencies for ten years, in order to exclusively use it for research, development and innovation purposes in networks, products and services operating in fifth generation network infrastructures (5G). These frequencies can also be allocated to companies where “Phaistos” will invest.

Greek authorities also participate **in important projects of common European Interest (IPCEI) for Enhancing EU industrial strategic value chains, in critical sectors of the European market**. The participation of EUBatin (batteries), Hydrogen Technologies and Systems, Microelectronics and Smart Health fall under this category.

The project includes ongoing procedures and actions, in cooperation with DG-COMP, for the participation and implementation of Greek projects and investments in each IPCEI sector

In addition, the project about **linking research and innovation with entrepreneurship and creating collaborative structures** is an important priority to serve the goal of investment in R&D. The initiative comprises two actions, related to Cooperative Innovation Formations (Clusters) and Competence Centres.

The purpose of the **Cooperative Innovation Formations (CIF)** is the development and utilisation of high value innovative products and services with international recognition and a high degree of competitiveness. The action will be implemented in two stages. In the first stage, the structures will be implemented by a private or public sector entity, with experience in supporting innovation and entrepreneurship. The second stage is directed towards existing enterprises which intend to implement,

in cooperative schemes, business plans with emphasis on the innovation, as well as to develop R&D partnerships with other companies under the approved business plan.

The second action's main purpose is to foster projects for the creation and function of **Competence Centers** with the appropriate infrastructure and expertise. Competence Centres' main objective is to boost innovation of Greek economic sectors through specialised, innovative services and products and know-how transfer towards businesses, specifically SME's. The progress made until Q1 2022 consists of the completion of the evaluation of proposals which has led to twelve Competence Centres that are eligible for funding under EPAnEK and they are at implementation stage. By Q2 2023 the submission-evaluation of validation requests and funding disbursement will have been completed. More detailed information is provided on Table 1 –2019 CSR 2, subpart 4.

### 3.14 Renewal of urban areas

#### Part A - Introduction

The proposed investments concern the implementation of interventions in different urban areas that can have multilevel effects in the economic, environmental, functional and social revitalization of urban space. The proposed interventions aim to increase the quality of urban space, provide services, attract new functions and economic activities, transform local economies and promote the natural environment as well as climate change adaptation measures.

#### Part B - RRP related

The investment concerning **interventions in residential areas and in the building stock** aims at enhancing the urban environment by improving the quality of urban space and attract new functions of economic activities while making a positive impact on the natural environment of urban centers, creating new jobs and achieving significant energy savings that will lead to a low carbon economy. The investment comprises of four subprojects: (a) interventions aiming to improve urban environment and public space targeting 16 urban areas to complete climate change adaptation works that will also improve the wellbeing of the citizens; (b) urban regeneration of the ex-industrial area of Votanikos / Elaionas that will create a network and road infrastructure, parks / green areas and sustainable athletic facilities for public use together with private mixed-use energy efficient real estate developments; (c) development of an uninterrupted waterfront promenade at the Athenian Riviera, aiming to create the longest unified and accessible seafront in Europe of approximately 70 km shoreline at the south-eastern part of the Attica prefecture; (d) other strategic interventions, including the adaptive re-use of the former Ladopoulos paper-factory in Patras. Subprojects (b), (c) and (d) have been assigned for front load maturation to the Hellenic Republic Asset Development Fund's special unit of Project Preparation Facility. The award of related contracts is expected to be concluded by Q2 2023.

The investment on the **Olympic Athletic Centre of Athens (OAKA)** aims to repair, maintain and improve the operating efficiency of the Olympic complex in order to extend its useful life, restore its image, reduce its running cost and create new profit centres in order to convert it into a modern, lively, safe and financially sustainable urban athletics and leisure destination. The proposal is composed of six

subprojects that include maintenance and upgrade of the central stadium, separation of ME installations of aquatic the complex and the basketball/multifunctional arena, maintenance and upgrade of the velodrome into a multi-purpose arena, upgrade of the aquatic complex, as well as the upgrade of the tennis complex, the Olympic park and outdoor areas. The subprojects will upgrade OAKA to a sustainable athletic centre, as materials for the renovations will promote circular economy, while significant energy savings will be achieved. Concerning the implementation of the project, the notification of the award of the contract(s) for the appointment of private sector partner(s) to carry out the construction and renovation works is expected by Q1 2023.

The investment under the title “**Infrastructure development and buildings’ restoration in former royal estate in Tatoi**” is related to the energy efficiency upgrade of the historical buildings and infrastructure networks of the subject area. This project includes the installation of end-use RES systems, as well as of smart energy management. The proposed redevelopment of the Tatoi Estate aims to organise the existing momentum established by visitors who use the Estate mainly for recreational purposes. The award of contracts for all kinds of restoration and renovation works is expected to be completed by Q3 2023.

### **3.15 Front-load mature public investment projects**

#### **Part A - Introduction**

Through a wide range of investments and reforms, the Greek authorities intend to modernise the legal framework and accelerate the procedures of the Public Investment Programme (PIP), to enhance the public procurement system, to plan, program, execute and monitor the National Strategy for Public Procurement 2021-2025. Moreover, the implementation of public investments is expected to be supported by the new Project Preparation Facility, and the Strategic Projects Pipeline put in place in 2021. The ultimate purpose of the above reforms is to enhance the efficiency of public investments as well as to front-load mature public investment projects, in order to improve the competitiveness, productivity and resilience of key economic sectors. Within this context, improving the effectiveness and digitalization of the public administration is essential.

#### **Part B - RRP related**

The **professionalisation of the public procurement domain** refers to the enhancement of the public procurement system in order to become more efficient and reliable, by improving the skills of public officials who conduct public procurement procedures and by creating a professional work force in the public procurement domain. The reform also relies on the recent simplifications of the regulatory framework of Public Procurement, which was introduced by Law 4782/2021, in order to accelerate the process of public procurement and the maturation of public investments. The pace of project progress has initially been modest due to the unification process of the Hellenic Single Public Procurement Authority (HSPPA) with the Independent Authority for Administrative Appeals (AEPP), since HSPPA was a key stakeholder for kickstarting the project. However, significant progress has subsequently been made, as the two Authorities have been merged and the new Independent Authority will initiate its operation in the following months. Meanwhile, the National Centre for Public Administration (EKDDA) is expected

to undertake the upskilling and reskilling programs for public procurement professionals, as well as their certification. The next steps will include the completion of an action plan on professionalisation of the public procurement domain as well as the drafting of a new legislative framework that will lead to discrete sectors of public procurement, specific skills' groups and the adoption of financial and non-financial incentives to attract and maintain high skilled professionals.

### **Part C - Not RRP related**

The **modernisation of the legal framework of the Public Investment Programme** was launched by the Ministry of Development and Investments in cooperation with DG Reform in July 2021. The project aims at analysing, simplifying, consolidating and revising the existing PIB legal framework and related procedures, and proposing draft legislation. The project is expected to be fulfilled by the end of April 2022. Furthermore, the Ministry of Development and Investment has undertaken several other actions in order to improve the monitoring of the PIP execution as well as the digitalization of the PIP procedures by developing interfaces with third party systems (GAO, IAPR, EFKA, IDIKA etc.). These actions are planned to be concluded within 2022.

Furthermore, the main scope of the **National Strategy for Public Procurement 2021 – 2025** is to enhance the effectiveness of the public procurement domain in terms of accelerating procurement procedures without making compromises in terms of quality, transparency and integrity. In order for this target to be achieved, the National Strategy for Public Procurement 2021 – 2025 proposes about 70 actions, divided in four main axes: a) Achieving a more efficient regulatory environment for public procurement, b) achieving further digitalization of public procurement procedures, c) pursuing strategic public procurement and enhancing the capacity of Central Purchasing Bodies and d) achieving professionalisation of the public procurement domain. The next steps will include a thorough revision of the National Strategy for Public Procurement 2021 - 2025, and a careful selection of the actions that can realistically be completed in the Strategy's time frame. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

In addition, the legal framework for the **National Strategic Reference Framework (NSRF) 2021-2027**, was recently voted (L. 4914/22). Moreover, in the reference period the Special Secretariat for the management of the ERDF and CF Programmes has been designing, consulting and negotiating three new Programmes. In particular, in October 2021, following the official approval of the PA 2021-2027, three draft programmes ("Competitiveness", "Transport" and "Environment and Climate Change") were submitted to the EC (DG REGIO) for negotiations. On the basis of the technical discussions with the EC, their second official submission is now set for April 2022 and their approval is estimated for Q3 2022. Subject to a timely approval, completion of necessary institutional arrangements and the fulfilment of all applicable enabling conditions, the target/ milestone set by the Special Secretariat is the activation by issuing the first calls for proposals by Q3 2022.

Moreover, Greek authorities established the "**Strategic Projects Pipeline**" (**SPP**) as a development tool of the State at national, regional and local level. The SPP is based on the evaluation, prioritisation and approval of contracts of strategic importance, the implementation of which, through the utilisation of

national, EU and international resources, will bring significant results to the overall economy. The SPP is approved by the Governmental Committee on Strategic Contracts and determines the priorities between policy contracts, the duration of implementation, the source of funding and budget for each contract and the results sought by its approval and implementation. With a view to create a strong mechanism to further enhance the capacity of Greek authorities to structure, procure and deliver complex projects, the Greek state also established the **Project Preparation Facility (PPF)**, whose main objective is to provide an improved support and delivery mechanism to Greek authorities as regards project preparation, aimed at improving efficiency, quality and replicability of projects. The PPF was implemented as a separate unit within the Hellenic Republic Asset Development Fund S.A. (HRADF), utilising the knowledge and experience that HRADF has obtained by the preparation, implementation and monitoring of privatisations. HRADF's mandate was broadened to additionally assume the implementation of strategic investment projects included in the SPP, as well as to include the preparation of tender procedures and monitoring of the Strategic Projects' implementation. PPF projects are financed through the SPP's pre-approved budget, the EU funds coming mainly from the RRF, as well as the National Strategic Reference Framework (NSRF) 2021-2027. The SPP is the sole official counterpart to the PPF and decides which projects should be undertaken by the PPF. The Committee responsible for the approval of the Strategic Contracts Development Program has already been set up and in March 2022 the first Development Program with 191 projects and a total budget of EUR 44.9 billion was approved, including projects (OAKA renovation, new judicial buildings, new industrial parks, etc.) already being prepared by the PPF.

Last but not least, the reform of “**unsolicited proposals**” for infrastructure projects has been introduced into the Greek legal order via a recently voted law (4903/2022). Unsolicited proposals come as an alternative to the traditional conception and maturation method for infrastructure projects, whereby the private sector undertakes the initiative to propose and mature an infrastructure project, in addition to State planning, with a view to accelerating tendering and implementation. The law lays down the submission, evaluation and adoption procedure of unsolicited proposals. Its scope includes proposals submitted by economic entities on their own initiative aiming at studying and constructing new infrastructure projects, expanding or modifying existing ones, or providing management and operation services, provided that the proposals refer to innovative and complex infrastructure projects, and that the estimated budget exceeds EUR 200 million.

Next steps include the development of a platform for the electronic submission of unsolicited proposals, as well as the establishment of an inter-Ministerial Committee for assessment and evaluation of them.

### **3.16 Improve the effectiveness and digitalisation of the public administration**

#### **Part A - Introduction**

A substantial proportion of reform efforts aims to enhance the effectiveness of the public administration and promote the digitalisation of its procedures and services, as a key factor for the digital transformation of Greece. Numerous RRF funded projects concern the incorporation of new technologies, tools and digital infrastructure in the public sector and the improvement of services

provided to citizens and businesses. Many related reform and investment projects are being implemented, such as the increase of systems interoperability, the implementation of data governance strategies and policies, the upgrade of the digital infrastructure of the Greek public administration and reforms to simplify, standardise and improve the public administration processes. Moreover, continuous progress in a number of projects with horizontal scope supports the overall improvement of public administration efficiency alongside with the implementation of digitalisation projects in various key sectors of public services.

#### **Part B - RRP related**

With a view to improving the effectiveness and digitalisation of the public administration, the Ministry of Digital Governance (MDG) has designed an ambitious set of reforms and investments as part of the Greek RRP. A crucial Reform refers to the National Policy on Public Procedures (NPPP) which is based on three pillars:

- the **Registry of Public Procedures** that currently includes more than 1,100 procedures,
- the **National Program on Process Simplification** based on MoUs between the MDG and other Ministries and
- the **Observatory for Bureaucracy**, assisted by the OECD.

By Q2 2023 the National Registry on Public Procedures will be fully operational, while simplification on eight policy sectors, in the framework of the National Program of Process Simplification, will be completed. By the same time, measurements for the Observatory will start producing concrete results on the administrative burden of various sectors and procedures.

Moreover, the investment project on “**Interoperability and web services development**” aims to build a central interoperability infrastructure that facilitates information exchange among government agencies and the provision of interactive online services. The central interoperability infrastructure design and the configuration of the services provided is based on citizens’ and businesses’ needs and provides an integrated, secure and trusted operation environment which enables easy and fast access to composite public services. The framework agreement tender process has been completed, according to the schedule. Twelve offers have been approved, and the award of the framework agreement contracts is expected in Q2 2022. All executive agreement contracts are expected to be signed by Q4 2022.

At the same time, the “**Next-Generation Interoperability Centre**” investment has the objective to enhance the Interoperability Centre (KED) in order to be able to deliver cross-institutional, cross-systems interoperability with extremely high availability and set the operation of public administration in a more automatic way. The General Secretariat of Information Systems for Public Administration (GSISPA) successfully completed the submission of the Technical Data Sheet and the budget analysis of the project (beginning of Q1 2022). The next steps concern the completion of the invitation to tender for the first subproject by Q2 2022 and the contract award by the end of Q1 2023.

There is also considerable progress regarding the “**Central Business Intelligence – Data Analytics Platform**” project, which aims to assist the Greek Government to get maximum value from its own data. The platform allows public administration agencies to draw, integrate, and interpret data from any



source and use them to analyse information that affects their operations and workflows and facilitates strategy and decision-making. Work is progressing according to schedule. The project tender documentation has already been prepared for public consultation which is due in Q2 2022. The submission of all tender documentation for approval is expected in Q2 2022, followed by the launch of the tender. Contract signature is expected in Q4 2022.

Another important investment is the implementation of a **Central Document Management system** which will capture, store, and retrieve paper and electronic documents, combine e-protocol, management and distribution of both incoming and outgoing documents with the use of digital signature and timestamps. Building on the functionality of the first phase of the Central DMS development, the investment is considered fundamental for the digital transformation of Greece and will lead public administration into more productive and well organised information management practices.

Furthermore, the RRP investment entitled as “**Expansion of Syzefksis II**” aims to serve the constantly shifting needs of public bodies on their way to complete digital transformation. The project provides support to the technological and operational upgrade of specific public bodies, whose business environment is considered important. The upgrade concerns both the infrastructure of the institutions locally, as well as the central network infrastructure of the Greek State, responsible for providing the required ICT services to the public administration and consequently to citizens and enterprises. The sub-project for the monitoring of the site survey and rollout phases of SYZEFXIS II is being implemented, while the sub-projects for the uninterrupted power supply to the institutions of the Panhellenic School Network and for the upgrade of the network infrastructure are in the phase of public consultation. It is estimated that tenders for all subprojects will be announced by Q3 2022, and the implementation of contracts will follow.

The Covid-pandemic demonstrated that, in special circumstances, government officials need to be able to work remotely, having secure access to all the data and applications they use to carry out their work and using computer infrastructure and digital tools more broadly. This is exactly the aim of the project “**Public Sector’s Business Continuity**”. The tender process is expected to be launched by Q2 2022 and finalised by the end of Q3 2022. A study on the current situation is expected to be delivered by the end of Q4 2022 and the Business Continuity Plan is expected to be delivered by the end of Q2 2023. The procurement and installation of equipment (laptops) and e-training will be ongoing.

The project on the “**Supply of Central Cloud Computing Infrastructure and services**” concerns the provision of public cloud type of services to the public administration information systems (G-Cloud and H-Cloud) and aims to ensure the business continuity of the productive operation of these systems. So far, all necessary actions regarding the analysis of the requirements, the design of the technical solutions and the preparation of the first draft of tender documents (RFPs) have been completed. The tender procedure will be executed by the end of Q2 2022 and the award of the corresponding contracts by Q4 2022.

Good progress is also visible with the investment “**eRegistries**” which concerns the establishment of interoperability and interfaces between the existing registers of the central civic registry. The project facilitates the smooth and proper operation of digital public services, with the following benefits:

- Up-to-Date Data: All the data in registers are up-to-date and ready to use. Each register is accessed via a common API.
- Clean data: By the end of the project the data of the registers will be as clean as possible, while procedures and policies for clean data will be in place.

The project focuses on enhancing and adding value to the services already provided by the **Central Civic Registry**. The production environment and operation of the central civic registry will be hosted by a Public Cloud Provider of IaaS services, including administration & operational services, as well as 24/7/365 day-to-day support and help desk services. Additional functional and interoperability enhancements will be implemented, aiming at ensuring data accuracy and data integrity and establishing interoperability with additional public authorities (e.g. Consular offices overseas providing multilingual certification, male registry in the Ministry of Defence, etc.). Work is progressing according to schedule. A Memorandum of Understanding has already been signed between the Ministry of Interior and Information Society SA and the publication of the relevant tender is expected until Q2 2022.

Moreover, a **National Register of Streets and Numbers**, for the registration and updating of streets and numbers by the responsible Municipalities and Regions, constitutes a basic prerequisite for services such as land registry, postal services, statistical reporting, etc. The respective tendering process is expected to begin by Q3 2022, and its contract award is expected by Q1 2023. The implementation of the project goes beyond Q2 2023. In the same direction, the **National Register of Pets** - an online electronic database - aims at establishing a coherent framework for the management of stray pets, as well as recording the responsible owner/s of house pets to ensure their well-being. A detailed document on the requirements analysis of the project implementation has been prepared and is under the final steps of the review process. The respective tendering process is expected to begin by the end of Q2 2022 and its contract award is expected by Q3 2022.

Good data governance over cloud computing infrastructures is imperative for governments that aim to become more data driven in the context of their digital strategy. It can help to extract value from data assets, enable greater data access and increase overall efficiency and accountability. Responding to these challenges requires a holistic approach through the development of a government cloud **Data Governance Strategy and Policies** that aim at designing a common data governance framework and the relevant technology implementation for the various Greek government cloud infrastructures, through the execution of four subprojects. A tender invitation is due in Q2 2022 according to the first subproject's timetable.

In addition, the “**incorporation of new technologies and trends towards Public Administration’s advanced services**” reform is progressing. More specifically, the “Artificial Intelligence Strategy” and “Blockchain Strategy” have been completed, while the “Cloud governance and operational model” study

is under preparation, and the RfP for the RE-Cloud further development will be published by the end of April 2022. It should be noted that the “Cybersecurity National Strategy” has already been published.

Apart from the above mentioned, horizontal reforms and investments, the Greek RRP consists of sectoral projects, with the aim to implement and roll out digital services and combat red tape.

More specifically, authorities are implementing a reform for the enhancement of state aid institutional digital capacity, by updating the existing state aid procedures, strengthening competencies, using digital tools and interconnecting to national and European Commission’s information systems. The reform includes the identification of gaps of the existing framework and the needs of the enhanced state-aid framework, concerning the operation of the **Central State Aid Network (CESANET) information system**. The next steps concern the entry into force of primary and secondary legislation (Q4 2022), the design and implementation of the intranet platform which will connect CESANET with the decentralised state aid units, the consultation on the technical requirements of the digital state aid cases library and the launch an invitation to tender, for the purchase of new hardware and software.

Moreover, **the digital transformation of the Ministry of Foreign Affairs** includes the digitization of the Ministry's Strategic and Operational Planning support system, the digitization of the Diplomatic and Historical Archives, the creation of a Global Digital Information Centre Platform and the modernization of crypto IT & Telecom infrastructure. The invitation to tender will be issued in April 2022 for all four subprojects.

In addition, the **Tourism Registry e-MHTE** aims to transfer the data and functions of the current Registry of Tourism Enterprises (MHTE) to the new “e-MHTE” platform, to ensure interoperability with public registries & systems. The project started at Q3 2021 and is planned to be completed by Q2 2025.

Furthermore, **the digital transformation of the Greek National Tourism Organisation** and its main assets contributes to the implementation of a digital tourist map and a digital repository of Greece’s cultural assets, and the development of an innovative system that will provide information to tourists and citizens based on second generation Artificial Intelligence technology. The implementation period is estimated at 36 months. The implementation of the envisaged measures is expected to bring long-lasting benefits for citizens and businesses and contribute to more citizen-centric, inclusive, secure, autonomous, innovative, cross-border and advanced digital services in the Greek tourism sector..

Moreover, the **Digital Transformation of Labour Market Support Systems (Part of the RRP)** is a broad IT project that consists of three sub projects, namely:

1. IT system for the monitoring of the labour market ARIADNE
2. IIS for Occupational Health and Safety Issues, HERIDANOS
3. IT Tool / Mechanism to support the statutory minimum wage setting process

The proposed projects aim at the digitization of the existing infrastructure, in terms of the services offered to the employee and the employer, implemented through the simplification of processes and

the rationalisation of obligations, with the main goal of reducing excessive red tape and administrative burden, achieving more intensive labour market controls, combatting undeclared and non-declared work, allowing for better data extraction, immediate provision of information and faster provision of services to citizens.

The first award of contract has been completed, and implementation of the action on the Work Card has started. For the other two subprojects, the Technical Fiches are being finalised. Next milestones include the Invitation to Tender for the two sub-projects (Heridasnos, Minimum Wage), the pilot implementation of the e-Work Card, the real-time monitoring and registration of work time and attendance, and changes thereof.

In addition, the project **ERGANI II** is a critical investment, funded by the State budget. It regards the upgrade and further development of the existing IIS ERGANI, which is the IT system the use of which is mandatory by employers in order to register their employees and at the same time serves as the tool used by the enforcement authorities in order to detect undeclared and under-declared work more efficiently. The design concept is process-oriented, with a view to simplify and rationalise administrative steps and obligations for employers, provide new applications to serve both employers and workers and overall broaden the scope of the IIS in order to map employment in a more inclusive manner. The contract award has been completed and the implementation of the project has started since December 2021. It comprises several deliverables, broadly categorised in two phases and its pilot implementation is expected to be launched in 2022.

Furthermore, the action on the **Digitalization of the Public Employment Service – DYPA** is aimed at red tape reduction, proper implementation and full roll-out of digital services, enrichment of digital services towards other public organisations, strengthening of digital skills, increased IT system security, improved ICT systems, enhanced register interoperability, and facilitation of administrative cost management.

Also, Greek authorities attach great importance to **combating undeclared work through the labour market surveillance mechanism and the institutional strengthening of the governance of the Labour Inspectorate (SEPE)**. Two projects which are part of the Action Plan for Undeclared Work (a coherent plan with twenty-two actions to combat undeclared work) have been completed by Q1 2022.

- The data interoperability of the Information System of SEPE with databases of other public bodies and the
- Electronic equipment of SEPE inspectors.

The continuation of the plan will have to take into account the transformation of SEPE into an independent authority, according to the provisions of Law 4808/2021.

The need for simplification and improvement of the procedures for the certification of the NGOs via the digitalization and interconnection of the involved parties, created the **development of the digital Information System (platform) for the assessment and certification of the non-governmental organisations involved in the field of social care and protection**. The Project's design began in June of

2021 and the tender procedure for the contractor's nomination followed. The project's implementation has started and the digital Information System is expected to be fully operational by end 2022.

Moreover, the **Digital Transformation of the social support system** aspires to expand the functions of the National Mechanism for Coordination, Monitoring and Evaluation of Social Inclusion and Social Cohesion Policies and to eventually integrate the electronic application forms of the cash social assistance benefits into a single digital portal. Also, it includes a **national portal of disability benefits and establishment of the disability card** in order to provide information in a simple and systematic way to people with disabilities and simplify access to in-kind benefits and reduce red tape concerning disability benefits. In Q2/2021 the study for the "Establishment of the Disability Card" by the NCPD (National Confederation for Persons with Disabilities) was completed. The next steps concern the necessary regulatory interventions, the assignment to a contractor, the development of the Information System, and issuance and distribution of the cards. As part of same project, **OPEKA** will develop a digital platform with increased functionalities. Social welfare beneficiaries will be automatically served online and daily tasks will be facilitated by providing timely instructions and personalised information to citizens in order to reduce bureaucracy, physical resource use and employees' burden.

Furthermore, under the RRP the Greek authorities designed a five pillars reform entitled "**Reforming Public Administration**" that aims at providing a holistic framework on human resources management and overall administrative capacity. Firstly, the pillar for the **establishment of multilevel governance** - allocation of responsibilities between all levels of public administration - has been designed to reconsider and reallocate, if necessary, the responsibilities of the various levels of public administration (namely national, regional and local level) following a detailed and systematic recording and clarification of potential obsolete or overlapping competencies. For this purpose, a respective legislative initiative will be adopted no later than September 2022. At a second stage, the information gathered will be integrated into a web application for the systematic recording of organisational information for all public administration entities. Additionally, a mechanism for the organisation and monitoring of multi-level governance policies as well as the better utilisation of resources for the implementation of policies will be available.

The second pillar, related to the creation of an **AI-based strategic workforce planning tool**, focuses on the development of this tool which enables the respective stakeholders (public entities) to use a modelling process in order to achieve their goals. Multiple factors are taken into account such as future job vacancies, skills needed in job positions, the impact of technological and economic change, job responsibilities and human resources skills, both short-term and long-term. In this way, HR planning is directly related to the mapping of needs regarding the recruitment procedures. The project is expected to be delivered by the end of Q2 2023.

**Modernising the hiring procedures** constitutes the third pillar which aims at supporting the digital transformation of the Supreme Council for Personnel Selection (ASEP) regarding the conduct of nationwide electronic examinations for recruitment in the public sector, according to the provisions of the Law 4765/2021. The overall purpose of the digital transformation of ASEP is to follow best practices and

innovative technologies, based upon simplification of procedures and requirements of the relevant entities.

The fourth pillar of Public Administration Reform is related to **upskilling/reskilling** its **human resources** in response to the needs of a constantly changing working environment. This will be achieved by building a modern, flexible and effective training and upgrading system with personalised training needs assessment tools that will provide substantial, retraining and skills upgrading opportunities to the public sector employees. A study on best practices regarding the skills determination of civil servants as well as the development of an electronic tool for detecting the training needs of civil servants accompanied by a job description certification mechanism are expected by Q3 2023.

Regarding the fifth pillar of the public administration reform, the Greek authorities intend to **introduce a motivational - rewarding system for public entities and civil servants** which focuses on rewarding both individual and group performance in the context of achieving the strategic goals of the entities towards the remodelling of the working environment. The first step of this significant commitment is a pilot implementation for the rewarding - within 2022 - of up to 6.000 public servants, on the condition that their units are directly involved in the implementation of RRP actions. By Q4 2022, primary legislation setting up a goal-oriented performance pay system following the achievement of pre-set objectives will be adopted.

#### **Part C - Not RRP related**

Beyond the above RRP projects, Greek authorities have undertaken a lot of significant initiatives for public's administration digitalization. More specifically, a new, improved **platform for the distribution of digital signatures** (APED), in conformity with the e-idas Regulation, has been launched, while the first minimum viable product of the **new eu-go portal** - linked to the national registry of procedures - is ready. Additionally, the new **one stop shop** improved back office is being developed and its full roll out is expected by Q2 2023. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 9.

With a view to enhancing regulatory quality, a **National Codification Portal** has been contracted and is currently being implemented. The portal will be in pilot use in Q2 2023 having incorporated the digital impact assessment that is currently being developed. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 9.

In parallel, the drafting of a **new Law on Public Procedures**, that will replace the one of 1999, has started. The new Law will be finalised within 2022 and will include the new governance scheme for the National Policy on Public Procedures.

As far as the crucial digital infrastructure is concerned, the project "**G-Cloud Next Generation**" aims to upgrade the infrastructure and functionality of the already operating Government Cloud (G-Cloud). In this way, it will ensure the business continuity of the productive operation of the information systems hosted or to be hosted in the infrastructure of the next generation Government Cloud (G-Cloud NxG) and will provide new services to the public/government bodies, according to the service provision models of "PaaS", "DaaS" and "RPA", by creating a new, hybrid cloud infrastructure. So far, all the

necessary actions regarding the analysis of the requirements, the design of the technical solution, the writing of the tender documents (RFPs) and the co-financing of the project by the European Union have been completed. The next steps concern the tender procedure execution by the end of Q2 2022 and the award of the corresponding contracts by Q4 2022.

Apart from the above, the “**SYZEFXIS II**” project is the "core project" for the establishment of the Public Sector Network. The main objectives of the SYZEFXIS II project are the following: a) to cover the telecommunication connection needs of public bodies (approximately 34,000 buildings), b) to upgrade the broadband of the bodies by utilising optical access and ADSL and VDSL technologies, c) as well as to upgrade the existing central services of the SYZEFXIS network, with a special emphasis on security, teleconferencing, tele-cooperation and the utilisation of mobile technologies by the users. The project will utilise 68 Metropolitan Broadband Fiber Optic Networks (MAN) and will achieve, through the aggregation of demand for public sector telecommunications services, better utilisation and a drastic reduction of telecommunications costs. The SYZEFXIS II project is divided into different sub-projects, each of which implements a section of the overall project. The sub-projects that implement the central infrastructure of the project include the establishment of central interface infrastructure, hosting services, interconnection services and Internet provision (ISP services CONNECTION II and SLA / Helpdesk) and the Central Security System. In the specific sub-projects, within the reference period, the implementation phase was completed and became operational. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 9.

Moreover, the sub-projects that implement regional infrastructure and services include the Telecommunication Islands (they provide access and telephony services to the institutions) and the Infrastructure Subproject (installation of access, telephony and teleconferencing equipment to the institutions). In the specific sub-projects, the implementation study was completed and the implementation phase has begun. Until the end of Q1 2022 the foreseen work was completed for 230 entities. In the central sub-projects, a pilot operation phase will take place with the completion of the transition of 10% of the entities and productive operation will follow. In the regional sub-projects, the continuation and completion of the transition of the total of 34,000 entities of SYZEFXIS II will take place in parallel with the gradual pilot and productive operation.

Greek authorities are also implementing a project regarding the **digital transformation of consular services**. The project aims to fully transform citizens' interaction with Greek Consular services across the globe, with the use of Artificial Intelligence and the digitization of processes, in all aspects of services which don't require the citizen's physical presence at the Consulate. The digitization of processes will result in savings in terms of cost and time, streamlined procedures and much more efficient services provided by the Ministry of Foreign Affairs (MFA) Missions Abroad. The project tender was finalised in February 2022 and pilot operation of the virtual assistant will be in place in selected Consulates by April 2022 (already in operation in New York and London since Q4 2020). The first phase of the project, which includes full operation of the system in all missions abroad in two languages (English and Greek) will be completed by the end of May 2022. The next two phases, which involve gradual implementation of additional languages within the system (19 in total) will be completed by Q2 2023.

From May 2021 onwards, the **Ministry of Labour & Social Affairs has introduced an Integrated Call Centre (1555)**. The objective of the project is the design, development and implementation of a single number of citizen services for matters of responsibility of the Ministry of Labour & Social Affairs and its supervised bodies. The new call centre has been very well received by the public and until February 2022 had responded to more than 1 million calls. In February 2022, the 1555 webpage was also launched, through which citizens can submit their claims via a ticketing system. In the coming months the call centre will be further enhanced with the addition of some more digital tools (mobile apps, chatbot).

Furthermore, Greece continues the effort towards the **abolition of unnecessary procedures from the Citizens Services Centres** (one stop shops), with 71 procedures which are either obsolete or now provided in digital format digitally already abolished. This was decided additional to the recent removal of 68 out-dated procedures out of the list of e-EFKA active processes, following the reassessment of a total of 272 procedures run by the Fund. Henceforth, all these services shall be provided solely via Web. The aim is to promote an effective administrative integration, improve the services provided to citizens and businesses and lighten the public entities from unnecessary bureaucratic burden.

On the **Digital Transformation of e-EFKA**, the project titled "**myEfka.Live.gov.gr**" aims at the development of a state-of-the-art videoconferencing platform, which provides citizens with the capability of remote access to administrative information and services. With almost the entire insular part of Greece has already joined myEFKA.live on 2021, the main milestones for the current year include the incorporation of Crete, Evia and the insular area that belongs to the structures of Attica by Q2 and of mainland Greece by Q4. More detailed information is provided on Table 1 – 2020 CSR 3, subpart 9.

Regarding **digital services and interoperabilities**, throughout 2021, e-EFKA has performed a rapid digitization, by digitising 21 services to employers, employees and citizens and by achieving interoperability with the systems of more than 25 other public sector services.

In an effort to strengthen the capacity of design and public policies implementation, the Greek State has established the **interministerial branch of Executives** which is in the final phase of activation. This project aims at supporting specific functions of Central Administration entities, in the specialties of public policy analysts, Law drafters and digital policy analysts. The National Centre for Public Administration and Local Government (EKDDA) is finalising a proposal for the training of civil servants that will join the newly established executive managers' branch. To this end, during 2021 EKDDA has closely collaborated with French experts of the École Nationale d' Administration (ENA) and Greek university professors with expertise in the fields of the above specialties, in order to submit a proposal for the training methodology and the training curriculum of the executive managers branch. The first training seminars are planned to take place within the first semester of 2022. Furthermore, a series of Presidential Decrees and Ministerial Decisions have been issued in order to establish the legal framework of the aforementioned branch. The next steps concern the issuance of secondary legislation on the Certification Training Program.



Moreover, in the context of enhancing coordination, in particular for cross-cutting subjects, the successful appointment process of the **Permanent Secretaries**, according to the provisions of the Law 4622/2019, is considered a key element for the depoliticization in public administration and the retention of its institutional continuity. The completion of the appointment process constitutes a crucial part in the establishment of the Executive State and the implementation of its provisions. The General Secretariat for Coordination has managed to elaborate appropriate conditions for an efficient cooperation with Permanent Secretaries of all Ministries and the relevant Coordination Services, including the drafting of the **Ministries' Annual Action Plans** by setting the basis of strategic planning through a six-month standard procedure (June-December) which takes place on an annual basis, as well as through the systematic monitoring of the scheduled actions. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

As a response to inefficient allocation and under-utilisation of human resources, the Greek State has given emphasis to the **digitalisation of the recruitment processes**, both in the submission of applications and in the interoperability with other systems, in order to verify the applications' accuracy. Emphasis has also been given on the examination process, through a fully computerised test, according to the provisions of the L. 4765/2021. The goal is to further ensure the integrity of the process and the respective decrease in legal disputes, but also to speed up the procedure aiming at the completion of hirings in one year. Therefore, a national mandatory written HR selection process - on an annual or bi-annual basis - is adopted, structured in two distinct pillars, related to a knowledge examination and to the skills and organisational effectiveness of the candidate. In addition, psychometric tools with emphasis on situational judgement tests are introduced for the first time in order to ensure the best-fit between candidates and positions, as well as that the candidates are able to work effectively as team members. For this reason, verbal and numerical reasoning will form part of special examinations. An agreement has been signed between ASEP and National and Kapodistrian University of Athens for the development of the new psychometric tool for the first written examination (January 2022). Specific interventions which aim at simplifying procedures and reducing the competitions' preparation time have also been introduced (e.g. creation of an algorithm for optimal school selection, system configuration to reduce the time for issuing fees, etc.), while the update of the Presidential Decree on branches will be completed soon. The digitalization of the ASEP forms also part of a respective RRP project. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

In the same context, the obligation of an **annual hiring plan** approved by the Ministers' Cabinet every September and its linkage to the **mobility scheme** has been successfully implemented since 2021. More specifically, the first mobility cycle took place from January to May 2021, the drafting and approval of the annual hiring plan from May to September 2021 and the second mobility cycle from October 2021 to January 2022. The same process is in progress for 2022 and it is expected to be completed by January 2023. In 2021 a new provision set a recruitment ceiling for fixed-term contract staff, on an annual basis, as well as recruitment procedures aligned with those of permanent staff, in order to monitor and control temporary staff recruitments, ensuring the coverage of entities' specific needs as well as limiting the country's budget expenses. For 2022, the overall number was set at 25.344 posts by the Ministers' Cabinet in October 2021 (applying a 10% reduction compared to recruitments approved in 2020) and

will be allocated within Ministries and other entities, based on assessment of their demands. In September 2022, the 2023 recruitment ceiling for fixed-term contract staff will be set.

Furthermore, teaching staff - both permanent and temporary - is assessed in an ongoing process carried out by a group of experts on statistics and data analytics, under the guidance of the Coordinator of the Forecasting & Strategy Unit of the National Technical University of Athens (NTUA) which will file its report by the end of April 2022. At the same time, a newly established committee - the HR Management Committee - oversees the overall hiring planning process of the public administration. The final assessment of the list identifying deviations from the unified wage grid is in progress as part of the authorities' efforts to strengthen central control of hiring and salary provisions in the public administration. Regular meetings will be held during 2022 for all public sector HR issues.

In the field of **teleworking** in the public sector, the Greek State promulgated Law 4807/2021 with a view to regulating several aspects of teleworking. A pilot implementation in a representative sample of public administration entities has been designed. In addition, a project is being implemented in order to develop virtual working environment infrastructure (vdi/vpn), as well as other tools for planning, execution and monitoring of projects, assignments, time management, development of studies which include impact report for the protection of personal data, security analysis, risk analysis, etc. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

Additionally, the Greek authorities are in the process of redesigning the **onboarding procedure for newcomers** providing in this way the necessary “tools” enabling them to carry out their duties effectively. The main focus is on the development of a training strategy/toolkit as well as the creation of respective job profiles. The strategy shall specify which competencies/ skills need to be developed and improved along with the type of training, the induction courses required and other relevant training modalities (September 2022).

Building-up **career paths** in the Greek public sector constitutes another important project which enables the public administration to address major challenges regarding the inefficient use of human resources. Career paths provide employees with an ongoing mechanism which contributes to the enhancement of their skills and knowledge, often leading to mastering their current job, promotions and new positions. The next steps are related to the provision of a methodology and a roadmap for the development of a career-path toolkit in the public sector intended to accompany all civil servants from the day of their recruitment until the day they leave their service (September 2022).

The **redesign of the top manager selection system** also plays an important role in the establishment of new methods and techniques in human resources management. Based on the assessment of the existing selection system of top managers and best practices, next steps are related to the design of a new system and the respective psychometric tool (September - December 2022).

In addition, a certain goal of the Greek Government sets the **upskilling and reskilling of public servants** at the forefront of its medium-term planning. For this purpose, the Training Institute of EKDDA, in collaboration with Microsoft Company, implemented 34 training programs during the period June-December 2021, having as main training goal the development of basic and specialised digital skills in

cloud technologies. An additional 24 programs were implemented in January-February 2022, whereas the second cycle of seminars will be launched in April and will be completed by June 2022. Two innovative training programs for Internal Audit and Integrity Advisor follow strict certification procedures. With a view to enhancing extroversion and exchanging of know-how with international and European public administration entities, a number of civil servants participate in tailor-made training programs related to policies for the transformation of the Greek public administration. From November 2021, there is an ongoing process which includes series of educational seminars taking place in collaboration with international level expertise organisations such as the École Nationale d'Administration (ENA), Harvard Kennedy School and Insead Business School focusing primarily on the crucial issues of digital skills training, leadership and digital transformation.

Subsequently, there are **training programs** designed and implemented for strengthening the administrative competence of civil servants of secondary education, combining skills based on national law and practice with international standards and good practices through a comprehensive training framework. The goal of this innovative training program is to improve the administrative and digital knowledge and skills of the participants in order to upgrade the services provided to citizens and accelerate their career development. The program is divided into three axes: i) public administration and governance knowledge, ii) digital competencies and iii) professional skills and competencies.

In an effort to address the challenge of low penetration of e-Government services, the Greek State has elaborated two significant platforms with a view to providing high-quality services to public servants in specific issues. The first **platform** aims at strengthening the approval procedure of granting sick leaves in a full electronic way. In this respect, the Census Database and the Human Resources Management System (HRMS) are linked with Electronic Prescription and Health Committees. The Census Database supports all the procedures concerning the Personnel Departments, while the Electronic Prescription covers the functions of the Health Committees of the Ministry of Health. The system also enables employees to monitor the approval or rejection process (Q4 2021). The pilot implementation of the new subsystem in a representative sample of entities will be held in June 2022, whereas the design and implementation of training programs for the users of the platform is expected by May 2022.

The second **platform** has been developed in collaboration with the National Transparency Authority in order to monitor the progress of the cases of the disciplinary boards, and to facilitate the smooth operation of the public administration and the extraction of useful data. The design of training programs for the users of the platform is foreseen for April 2022, whereas the launch of the platform is set for 1 June 2022.

An additional challenge for the Greek State to address is the lack of standardisation of operational procedures. For this reason, drafting a single **Civil Service Code for civil and municipal employees** aims at rationalising and modernising the institutional framework - in order to incorporate the modern requirements / needs - and eliminating possible overlaps and unjustified differentiations between similar employee specialties. The deadline of the project has been set by December 2022.

In the same context, the **HRMS** is a single platform targeting the incorporation of all necessary data for the efficient and effective management of human resources in the public sector. The project is implemented within the framework of the NSRF through three actions. The kick-off for the implementation of the two first actions - selection of the contractors - is set by March 2022. The completion of a tender process for the selection of the contractor for the third action is scheduled for June 2022, while the completion of the HRMS project is estimated for July 2023.

Another important initiative undertaken by the Greek Government is the project of the **Digital Organigrams** which provides the online uploading and an overview (<https://hr.apografi.gov.gr/organizations/browse?0>) of the units and the positions of all entities in the Greek public administration, the status of each position (vacant, linked to specific employee etc.) and its job description. As of 23 March 2022, 1,719 entities of the General Government have uploaded their digital organigrams, whereas 349,932 job descriptions have been uploaded, up from 140,788 in September 2019, reaching 95% of the overall number of positions expected. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

Moreover, the Greek State has paid particular attention to the adoption of modern methods, techniques, and management tools in order to strengthen performance management and goal-setting framework. Therefore, the **evaluation system of civil servants** is redesigned by giving emphasis to the development and enhancement of the necessary skills to attain the objectives of the Unit. This means a totally new approach, including new templates of assessments reports (questionnaires) strictly connected to the existing job descriptions. The aim is to successfully link performance with specific and measurable targets. Redesigning the goal-setting framework leads to the creation of the necessary synergies and connections with the annual action plans per Ministry, so that they are cascaded down at the various administrative levels in SMART objectives and indicators, as well as to the interconnection with the performance assessment tool regarding objectives and indicators set per hierarchical level for evaluation reasons. New legislation is currently being drafted, with the submission to Parliament set for April 2022 and the adoption scheduled for May 2022. The following steps include the elaboration of the development plan, the configuration and interoperability of the two e-tools of evaluation and goal-setting and the training of managers (June-September 2022).

In the same direction, the design of the framework and structures for the introduction of **public sector innovation** aims at establishing new operating models so as to tackle complex problems in new ways. The first step concerns the provision of guidelines and processes in order to structure the development of innovation, which will be completed by drafting a strategy and designing a toolkit to promote innovation in the public sector (end of 2022).

Last but not least, the **e-CAF tool** for the implementation of the common assessment framework in public organisations was established by the Greek State in order to integrate the concept of organisational self-evaluation and the concept of quality in the daily operation of public services. The draft of the technical specification for the tool was completed by December 2021, while the development of the e-CAF tool is scheduled for September 2022.

### **3.17 Swiftly deploy measures to provide liquidity and continued flow of credit and other financing to the economy, focusing in particular on SMEs most affected by crisis**

#### **Part A - Introduction**

Despite the very substantial progress Greece has achieved in addressing legacy banking challenges, constraints still exist in the provision of credit through the Greek banking sector. Although the ratio of non-performing loans (NPLs) has recorded a very substantial decline over the last couple of years, mainly through the highly successful Hercules asset protection scheme, from 40.6% at the end of 2019 to 12.8% at the end of 2021, it is still significantly higher than the euro area average and Greek banks maintain comparatively lower organic profitability. Small and medium enterprises in Greece continue to be disproportionately affected by lack of access to finance. A set of financial sector reforms as well as reforms in the business environment are being implemented in order to increase access to finance, enhance the information available to authorities and, thereby, improve the design of corresponding policies. The first category includes, inter alia, measures such as the NRRP Loan Facility which aims at addressing the lack of affordable financing for companies with RRF loans passed on to the private sector through international financial institutions and commercial banks. The second category includes measures such as the Credit Expansion Observatory, which aims to be a useful tool to the authorities' efforts to sustain access to finance by allowing well-informed policy-making decisions based on data concerning credit expansion. Other policies for increasing the access to finance include incentives to encourage self-employed and micro, small and medium sized enterprises to increase their size and thus, have easier access to finance; the accelerating clearance of called state guarantees, as well as the 'Competitiveness 2021-2027' programme, under the Partnership Agreement 2014-2020, where at least EUR 920 million of public expenditure is foreseen for the improvement of access to finance by enterprises.

#### **Part B - RRP related**

Under the Greek NRRP, authorities are progressing with a reform which concerns the creation of a set of **incentives in order to encourage self-employed and micro, small and medium sized enterprises to increase their size** and thus have easier access to finance, raise their productivity and acquire an international orientation, as well as to improve access to economies of scale through mergers, conversions, acquisitions and new cooperation schemes and platforms. Draft amendments to the legal framework aiming at providing incentives for mergers, conversions, and acquisitions have been almost finalised. Key tax incentives include: a) a 30% exemption for 5 years from the corporate income tax, both for company transformations and for instances of cooperation of persons (e.g. self-employed), b) a 30% exemption for 5 years from corporate income tax in case of conversion or merger of sole proprietorships, c) an exemption of the new company from corporate income tax resulting from the surplus value of transferring assets to third parties after the merger under certain conditions, d) a deduction of expenses incurred for the acquisition of securities in the case of acquisition of a company, e) a possibility to transfer losses for. The next steps concern the adoption of the legislation (Q2 2022).

Authorities are also implementing a reform concerning the creation of a **Credit Expansion Observatory**, which shall collect detailed data on the liquidity provided by banks to individuals and legal entities, to better design and implement targeted public policies that aim to increase access to finance. The aim is to enable viable businesses from various sectors and different geographical locations to have access to credit for their investments and promote investments that will enhance productivity and job creation, as well as social cohesion and inclusiveness. Implementation of the reform requires a legislative amendment that will identify the Hellenic Development Bank (HDB) as the implementing body that should proceed with a publication of an invitation to tender for the preparation of the technical requirements of the observatory's IT system. The contract award to the private contractor who will develop the system is expected in Q2 2023.

Furthermore, the Greek authorities have created a mechanism to facilitate the financing of mature private investments through the RRF, utilising the loan component of the Fund. This is the **RRP Loan Facility**, which will provide loans to long-term investment projects (6-12 years) through various financial instruments and in cooperation with International Financial Institutions (IFIs), the InvestEU Fund and the Hellenic Development Bank (HDB). The Ministry of Finance has launched the open international call for the selection of commercial banks and has already signed operational agreements with six Greek commercial banks, as well as with the EIB and the EBRD. All the aforementioned banks have published their calls for specific investment proposals and a number of corporates and mid-cap businesses, mainly from the digital and green sectors of the economy, have already expressed interest. The first loan from the RRF Loan Facility has now been approved. It is a loan of EUR 4.9 million for the creation of an underground (green) mine of zero CO2 emissions using a variety of sustainable technologies, as well as the installation of a 1 MW photovoltaic system for the purpose of net metering. Furthermore, a platform through which all respective processes will be handled is being developed with the support of the Hellenic Association of Banks and will be ready within the first half of 2022.

### **Part C - Not RRP related**

Another reform that supports the stability of the banking system and enhances transparency and accountability in public finances concerns the **clearance of the backlog of called state guarantees**. The State had guaranteed in the past, mainly for social reasons, loans granted from commercial banks to vulnerable citizens groups and businesses, many of which have become overdue. An examination and clearance plan has been drawn up and most of the actions that it prescribed have been completed. The actions included the operationalization of e-repository, the interoperability with local tax offices, the relocation of the State Guarantees Directorate, as well as additional human resources. At the same time, the recruitment of an additional thirty-five (35) permanent employees to reinforce the State Guarantees Directorate is expected to be completed soon, a development that will greatly improve the effectiveness of the whole process. According to the updated clearance plan, the claims corresponding to natural persons' loans will be cleared in Q3 2023, while the claims corresponding to legal entities' loans will be cleared in Q4 2022.

Moreover, under the **Partnership Agreement 2014-2020** regarding the Programme "Competitiveness, Entrepreneurship and Innovation 2014-2020" 22 new calls for proposals were issued of a total budget of

EUR 2,018 million. Challenges related to liquidity measures focusing on SMEs are also addressed through the Competitiveness 2021-2027 programme, where at least EUR 920 million of public expenditure is foreseen for the “Improvement of access of enterprises to financing (Financial Instruments)”, through a dedicated priority. The first calls for proposals under the Competitiveness 2021-2027 programme will be issued by the end of the Q3 2022.

### 3.18 Promote private investment to foster the economic recovery

#### Part A - Introduction

In 2021, Greece recorded a significant increase in investment spending. Nevertheless, given the legacy investment gap of the previous decade, promoting private investment remains a key challenge for Greece. As a result, both under the RRP framework and beyond it, the Greek authorities have designed a number of targeted interventions to boost private investments. This effort aims to reform the Greek business environment through streamlining procedures and improving market access in different areas such as licensing, cross – border trade, and access to credit. The reforms are paired with relevant financial incentives for private investment under the Greek RRP or the Partnership Agreement 2014-2020.

#### Part B - RRP related

A key reform that promotes private investments is the **amendment of the legal framework for the attraction of strategic investment**. The newly adopted Law 4864/2021 promotes Greece as an attractive destination to potential investors by creating a new category of strategic investments with additional incentives, simplifying and consolidating the licensing procedure, and adding new fields of economic activity and potential Important Projects of Common European Interest (IPCEI). The next steps concern the issuance of the critical secondary legislation that is estimated to be formally issued within the first half of 2022.

Under the Greek NRRP, authorities are aiming to **simplify the procedures** faced by enterprises during their interaction with the administration and to **improve the business environment**. This reform will promote a sustainable and digitised business environment by reducing the regulatory burden on businesses and by improving market access. Regarding quality infrastructure, the regulatory framework will be ready by Q2 2023. Moreover, an agreement with the OECD is about to be concluded regarding licensing, inspections, market surveillance and manufacturing activities in Attica. Regarding consumer protection, most of the required tools (complaints system, enforcement management model), have been developed and adopted. By the end of Q3 2022 the inspections reform of the domains of consumer protection and public health will be completed.

Another reform under the Greek RRP is the **ease of doing business**, which aims at improving the business environment through 20 actions. The expected impact is to ensure a stable and predictable legislative framework, lighter and less time-consuming procedures, as well as cost savings in five sub-areas, namely: enforcing contracts; access to credit; access to electricity; registering property; paying taxes; and acquiring a construction permit. The legal framework for secured transactions in movable

assets has been drafted and is expected to be adopted soon. Currently, significant work is being done on other areas such as a platform for digital property transferring and the creation of a functional secured transactions registry. By Q2 2023 further interconnections of IT systems will have been completed in order to facilitate the procedures for acquiring a construction permit.

In addition, Greek authorities, aiming at boosting exports by streamlining procedures and facilitating cross-border trade for companies operating in Greece, prepare **a new Trade Facilitation Road Map** and an update on 'Single Window' and other trade facilitation projects. This reform also aims to create synergies with other policies related to the simplification of procedures, the digitalization of public services provided to business and the reduction of administrative costs.

Moreover, authorities aim to increase the effectiveness, efficiency and relevance of the government's policy in **combating illegal trade and protecting intellectual property**, considering the current challenges, needs and expectations of both citizens and businesses, strengthening resilience and where applicable, supporting the digital transition. The fight against illicit trade, the protection of intellectual property and the value of trademarks have been highlighted by the Government as a matter of national security and a development policy. All necessary actions concerning the implementation of the corresponding reforms are being implemented according to the initial time schedule. More specifically the tender procedure regarding the introduction of new, modern and interoperable, electronic control tools is to be launched shortly. Moreover, the project regarding the setting up of an Operation Centre for the Interagency for Market Control DIMEA is progressing according to schedule. The next steps will involve preparations to strengthen DIMEA with sufficient and qualified staff and educational material, introducing information and dissemination programs for both businesses and consumers and the installation of control stations of illegal trade in different parts of the country, in order to operate as control points.

Furthermore, through the **revitalization actions of the most affected territories (Just transition territories)**, the cost of the rehabilitation works in just transition areas (Western Macedonia and Megalopolis) will be covered. The project is expected to mitigate part of the negative effects of the phasing-out of lignite and contribute to the green transition, and the economic, social and territorial cohesion and convergence. A Greek State SPV will be the new rightful owner and land developer of the transferred lignite areas. The approval and entry into force of the Framework Program Contract Law determining the geographical areas to be transferred from the Public Power Corporation to the State, the content of the projects' studies, the division of responsibilities between all involved parties, the governance arrangements, the implementation schedule and the budget is expected to take place in the second quarter of 2022.

A new state aid programme aims to the **development of new generation industrial parks**, transforming zones of high industry activity to industrial parks and the expansion, upgrade, modernisation of existing industrial parks to adapt to the needs of Industry 4.0, sustainable development, and challenges such as the climate change and the current energy crisis. Issues of energy efficiency and independence have been set at the cornerstone of this call. The project of industrial parks has a budget of EUR 100 million.



Following the publication of the call, the list of chosen investment proposals qualifying for aid, will be issued by Q1 2023.

Another state-aid programme under the Greek RRP aims to financially support very small, small and medium-sized manufacturing enterprises of the Greek industrial ecosystem, for adapting to the needs of the digital and green transition (**smart manufacturing**). The primary goal is to increase business competitiveness and establish a resilient and future-oriented industry, through the enhancement of technological/digital infrastructure and the upgrade of manufacturing equipment using, inter alia, AI, robotics, machine learning, and automation. The call for application will be published by end April 2022, while the budget is allocated according to the needs of the industry. Therefore, 70% of the budget will concern proposals from very small and small enterprises, while 30% will be allocated to medium-sized enterprises. The list of chosen investment proposals qualifying for aid will be issued by Q1 2023.

A key reform under the Greek RRP concerns **tourism development**, focusing especially at incentivising investments, extending the tourism season and promoting alternative forms of tourism. The reform involves multiple actions such as the improvement of local destination management, the development of mountain tourism through the energy upgrade of tourist facilities, the utilisation of thermal springs for health and wellness tourism and the promotion of agro-tourism and gastronomy. Improving governance, infrastructure and services offered in marinas, beaches' accessibility and promoting diving and underwater tourism are also key actions. More specifically, a new framework on Destination Management and Marketing Organizations (DMMOs) and Sustainable Tourism Observatories, as well as on establishing Thermal Springs SA. was adopted by the Parliament (L.4875/2021). Furthermore, progress was made on the simplification of the operational framework for special tourism infrastructure, as well as on the simplification of procedures for operation/notification of leisure activities in amusement parks and for hygiene-regulated establishments in special tourism infrastructure.

Last but not least, a set of policy reforms are designed in order to digitalize the economic diplomacy network. More specifically, existing initiatives to be continued or upgraded and new initiatives to be developed include but are not limited to: (1) The full digitization of Enterprise Greece internal processes; (2) Acquisition processing and exploitation of databases on international markets and on exports procedures; (3) Establishment of an Ombudsman service to assist exporters overcome obstacles during the exports process; (4) Continuation and expansion of the "Helpdesk" services provided by Enterprise Greece; (5) New digital channels of communication with both exporters and potential investors; (6) Creation of digital vaults for strategic investors and for the Enterprise Greece investment portfolio and (7) Digitization of all physical files and inclusion in the new digital environment.

Moreover, this reform aims at building capacity and reskilling/upskilling Greek companies in order to develop value chains, upgrade their production or commercial activity and expand their international sales by giving them access to global value chains. This training program will provide reskilling and upskilling of the local export base in targeted sectors, so as to upgrade local production, import new technologies and know-how and ultimately, boost exports by liaising them with "productive" investments. The drafting of technical specifications and the preparation of contract notices is expected in Q2 2022.

## Part C - Not RRP related

Beyond the NRRP investments discussed above, Greek authorities work on the preparation and implementation of a comprehensive and modern **National Strategy for Industry** and the actions and measures in its context. The new Strategy, which will be finalised until June 2022, will contribute towards achieving a more competitive and innovative Greek industry/entrepreneurship, through focus on the green and digital transition, improvement of the business environment as well as better access to financial and other support tools. The Action Plan will be ready until the end of 2022.

In the field of **supply chain**, the **regulatory framework** is going to be improved, while the elaboration of an action plan is also on track. Both actions are expected to be finalised by the end of 2022. The main goal is to transform the country into a centre of assembly, final processing and packaging so that the supply chain will have a positive impact on the growth and GDP of the country.

With respect to the **promotion of thematic tourism** (wine, diving, mountain, thermal, medical, climbing, pilgrim/religious, cycling tourism) through a new framework on business activities, Greek authorities are working on the mapping of cultural roots of religious interest, and on the delimitation of Protection Zones around certified curative/thermal springs. Legal amendments on aquacultures and underwater archaeological sites as well as on operation of Medical Tourism Providers are in progress.

Greek authorities also aim at **creating a better business environment in the tourism sector**, by providing greater legal and economic certainty for consumers and businesses. This includes the establishment of a Guarantee Fund for Travel Agencies to financially safeguard businesses and protect travellers in the event of emergencies, such as insolvency and cancellations, the codification of tourism legislation, the administrative restructuring of the services of the Ministry of Tourism, and the establishment of a Chamber of Tourism. Adoption of the legal framework on the establishment of a Guarantee Fund for Travel Agencies is the next step. The establishment of a Chamber of Tourism which will incorporate all Greek tourism businesses is expected to be completed in 2022.

Apart from the reforms mentioned above, a number of private investments are being promoted and funded under the **Partnership Agreement 2014-2020**. Regarding the **PA 2021 -2027**, the European Commission approval of 3 new Programmes "Competitiveness", "Transport" and "Environment and Climate Change" is estimated for Q3 2022. Subject to approval, completion of necessary institutional arrangements and the fulfilment of all applicable enabling conditions, activation by issuing the first calls for proposals is expected by Q3 2022.

### 3.19 Pursue structural reforms in key areas, such as fiscal structural including the tax administration and public procurement; labour market, social benefits and health care; education, the financial sector and business environment; and modernisation of the public administration, justice and fight against corruption

#### Part A - Introduction

Broader structural reforms to improve the general functioning of the economy are pursued in areas such as fiscal structural, labour market, health care, education, the financial sector and business environment, public administration and justice. Some of the key elements include measures for strengthening the capacity of the financial system to overcome legacy challenges including NPL resolution, the digitalisation of various processes of the Independent Authority of Public Revenue, including the acceleration of VAT refunds, the codification and simplification of tax legislation, actions for the simplification of the business environment, actions addressing deficiencies in the justice system, as well as measures for the broadening of the tax base. While these measures build on and complement reforms initiated under the economic adjustment programmes which are partly still ongoing, the reforms and investments included in the NRRP go beyond specific commitments made by Greece in the Eurogroup in 2018 both in their scope and in their timeframe.

#### Part B - RRP related

The Greek NRRP includes a multi-dimension reform which aims specifically at strengthening the capacity of the financial system to overcome legacy challenges and finance the real economy. The reform's subprojects include the establishment and operation of a Public Credit Bureau, the implementation of the National Strategy for private Debt Management and the development of a private debt monitoring registry, as well as the development of a Central Credit Registry. The **Public Credit Bureau (PCB)** will provide results on the credit worthiness of debtors towards the State. The PCB aims to address information asymmetries between the public sector entities and banks and will also include the completion of an IT system to perform solvency assessments. The draft law for the establishment of the Public Credit Bureau has been prepared and the adoption of the law is expected in Q2 2022. Concerning the **National Strategy for private Debt Management** and the development of a private debt monitoring registry, the reform is expected to actively reduce private debt, to improve the debt settlement process, as well as to prevent the future accumulation of private debt. The Project Management Office (PMO) will be responsible to complete project management and coordination by monitoring the overall master plan of the strategy, as well as to prepare the studies and implement some projects of the strategy. There are eleven studies regarding the maturation of particular projects to be implemented in the context of the aforementioned National Strategy. Regarding progress, an invitation to tender is being prepared for selecting a contractor that will provide the PMO services. Further next steps for both the aforementioned projects include (i) the staffing of the Public Credit Bureau and signing of a programmatic agreement between the Public Credit Bureau and the Information Society SA for the development of a private debt monitoring registry and (ii) the publication of invitation to tender to select the contractor who will support the implementation of the National Strategy for Public Debt Management, as described above. Lastly, concerning the development of a **Central Credit Registry**, this

will be recording the payment history of all loans, as well as the collateral provided, in order to support credit institutions in the process of granting loans, reduce the cost of capital for businesses and individuals and accelerate the reduction of NPLs. The drafting of the legislation concerning the Central Credit Registry and the development of the relevant IT system is under the responsibility of Bank of Greece and is expected to be adopted in Q2 2022.

The reform on the **codification and simplification of tax legislation** is essential to enhance public trust and taxpayers' compliance, ensuring transparency and facilitating economic growth and investment. At the same time, it is expected to incentivize competitiveness and innovation, but also accelerate the overall digitalization of the tax administration. The comprehensive schedule containing a detailed timetable for all deliverables on codification and simplification of tax legislation has been completed and is being implemented. The next steps concern the setting up of a new department of the Tax Policy Directorate, responsible for the consolidation and consistency of primary and secondary legislation and ministerial decisions, which will take place by the end of May 2022. At the same time, a Service Provision Directorate at IAPR will be activated in June 2022 with the responsibility for consolidating the secondary legislation, coordinating the IAPR's competencies regarding the Code of Tax Procedure and updating and maintaining the public tax database.

Another reform under the RRP consists of tax incentives for the **super-deduction of expenses**, to strengthen investment by small and medium-sized enterprises in equipment related to climate change adaptation, the promotion of circular economy, and digitalization. In particular, a strong tax incentive is proposed for realising expenses on strengthening the green economy, energy and digitization in the form of an increased deduction of one hundred percent (100%). This deduction provides an additional incentive apart from the usual deduction of these expenses, which is already applied under the current Income Tax Code (ITC) provisions. As a result, these expenses will be deducted for tax purposes at a percentage of two hundred percent (200%) in total. The reform is implemented through reforming the existing Greek Income Tax Code. The draft primary and secondary legislation is almost finalised and adoption is expected within the first half of 2022.

Moreover, the **digital transformation of Tax Audits** aims to upgrade the operation of the IAPR digital system in order to be easier for the Authority to exploit the big volume of data that it owns and to monitor economic transactions. The main objectives include maximum data utilisation for the control of tax evasion and smuggling, modernization of the critical information systems of IAPR and consolidation of control in them, expansion of data collection and internal/external interoperability, data-driven decisions and automated processes and collection of tax through desk audits and investigations. Most of the above will be supported by the modernization of the data utilisation possibilities of IAPR through the new Business Intelligence & Data Analytics environment (with the conclusion of the contract expected by Q1 2023) and the full activation of the Mydata system that collects commercial transactions information and supports the implementation of the electronic invoicing and the electronic bookkeeping, which is expected to take place in Q2 2022.

Another measure that concerns the tax administration is the Investment - Reform Plan (Blueprint) for the period 2021-2025, for the further modernization of IAPR's functions. The **Digital Transformation of**

**the Tax and Customs Administration** investment (with a total budget of EUR 258 million) aims to achieve the digital transformation of revenue administration and services, which will strengthen the capacity of the tax authority, enhance its overall performance and upgrade the quality of services provided to individuals and enterprises, and ultimately make taxes more growth friendly, thus improving tax administration and tax collection. The main challenges in the ICT area are a) to replace and modernise the core tax information systems in order to fill the gaps in existing applications, digitise all manual forms and processes, as well as ensure interoperability for internal IAPR systems and interoperability with IT systems of the rest of the public sector and b) the modernization of the IT equipment of IAPR's services and the provision of modern office automation tools. This investment includes 14 subprojects, concerning among others, the development of a new integrated Taxation Information System, the extension of the Integrated Customs Offices Information System (ICISnet), a Human Resources Management System, Office Management Services and Equipment Supply, IT Service Management Tools, Enterprise Risk Management System & Business Continuity Plan, and Data Security. By Q2 2023 all funding applications will be submitted and assessed, all tender competition calls are scheduled to be concluded and more than five subprojects will be in the implementation phase. Concerning the modernization of the IT equipment, the purchase of 10,500 new personal computers is in progress and more equipment will be available by Q2 2023. Also, the new Document Management System, the new Content Management System and a Task Management System that will coordinate and support daily work will be in place by the end of 2023.

Furthermore, during the pandemic, the **outstanding VAT refunds** turned out to be an obstacle to the functioning of the economy. Consequently, the acceleration of relevant payments (refunds) is expected to work as a key factor for the smooth functioning and recovery of the economy and to address business cash flow difficulties. In that context, the objective is the implementation of more digitised and automated VAT electronic refund procedures, through which the refund requests will be submitted electronically, the amount will be credited to the respective bank account without human contact and the taxpayers will be informed immediately through electronic means. Progress is ongoing and the development of the operating functionalities of the VAT refund system and all the necessary requirements for the operationalisation of the fully automated VAT refund system are under development and will be completed in Q2 2022. The launch of this new IT system is expected by the end of 2023.

Another reform aimed at addressing legacy challenges of the banking system concerns the upgrade of the necessary digital infrastructure needed to support the early warning and preventive debt restructuring procedures, provided through the new **unified/codified legal framework for the management of debt** of individuals and legal entities, bankruptcy and discharge of debt. Regarding progress, a programmatic agreement has been signed for the development of the platform to support the early warning mechanism for individuals and legal entities and also for the upgrade / development of an electronic platform for out-of-court settlement of debts of individuals and legal entities. The next steps concern the publication of invitations to tender which are essential for the implementation of the reform. The contract award for the IT system of the preventive debt restructuring and early warning mechanism is expected to take place in Q2 2023.

A reform that aims at enhancing the **capital markets supervision** concerns the digital transformation of the Hellenic Capital Market Commission (HCMC) and the digitalisation of its internal processes and organisation, as well as the modernisation of the regulatory and legislative framework for capital markets. The objective is to ensure real-time market surveillance by HCMC through the introduction of a large-scale IT system and integration of all data collected by HCMC, enabling fine tuning of procedures and interventions as needed. In that regard, the authorities successfully completed the adoption of the new legislation at the end of March 2022. Additionally, a draft programmatic agreement has been prepared for data collection, processing, analysis and monitoring system, also taking into account the cybersecurity, cyber defence and cyber resilience dimensions. The contract award for the Hellenic Capital Markets Commission IT infrastructure is expected to take place in Q1 2023.

A reform which contributes at safeguarding the soundness and integrity of the financial system and also to the fight against tax evasion and corruption and consequently to the protection of the functioning of the EU Single Market, is the **Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) reform**. This reform aims at implementing and digitising transparency rules, following up on the recently revised framework with Law 4734/2020 (5AMLD), which amended Law 4557/2018 (4AMLD). The reform aims to build on an already extensive range of actions and initiatives and move forward with more comprehensive, effective and technology-enabled rules, which will be applied by the competent AML/CFT supervisors, the judicial authorities, Law Enforcement Agencies (LEAs), the Anti Money Laundering Authority, the Ministry of Finance/Central Coordination Unit, under the approval of the National Strategy Committee (NSC). An important aspect of the reform is the development of a platform for the collection of statistical data held by national competent authorities that will be managed by the Ministry of Finance and will contribute to the assessment of the effectiveness of the AML/CFT regime. The contract award for the platform is expected to take place in Q3 2022. The launch of the platform will take place in Q2 2023, along with the completion of improvements on the central beneficial owners' registry to facilitate the direct access of competent authorities to such information.

With regards to healthcare, the reform of the **clawback system** aims to drastically reduce clawback in the medium term and at the same time offset clawback returns with clinical trial costs, R&D costs or investment costs of companies liable for the return of clawback for the period 2021-2023. The reform aims at rationalizing the clawback mechanism and reengineers the method for its allocation to improve efficiency. Indeed, the reform provides the possibility to offset a small percentage of the clawback allocated to pharmaceutical companies (Marketing Authorisation Holders – MAHs) with investments in research and development and/or in investment projects. Instead of claiming from MAHs the total amount of clawback allocated to them in cash, the State allows MAHs to pay back a small percentage of it through investments made by employing their own financial resources. The total offset amount is set at EUR 250 million euros [EUR 100 million in 2022, EUR 75 million in 2023 and EUR 75 million in 2024]. Additionally, the reform introduced an instrument ensuring that the government also participates in the necessary risk sharing. The reform aims at a minimum reduction of clawback amounts, compared to the 2020 level by EUR 50 million in 2022, EUR 150 million in 2023, EUR 300 million in 2024 and EUR 400 million. To the extent that this is not achieved, budgeted pharmaceutical expenditures will increase accordingly up to the above amounts. The relevant legislation has been adopted.

Furthermore, the reforms under the Greek RRP listed below contribute to increasing the efficiency of the justice system, reducing the time needed to resolve litigious civil and commercial disputes and the productivity of first instance courts. Specifically, the upgrading and expansion of the **Information Systems of the Justice Sector** is a crucial project which consists of three functional modules, namely: - Operational Module 1: Development of an Integrated Information System (IIS) to modernise the operation of the Court of Audit- Operational Module 2: A set of actions aiming to strengthen the information system of the National Criminal Registry and further extend its services. Operational Module 3: Upgrading and extending the functionality of the Integrated Judicial Case Management System for Civil and Criminal Justice (OSDDY-PP) – OSDDY-PP Phase 2. On the 15<sup>th</sup> of March 2022 the international call for bids was published.

Moreover, with the aim to address the absence of digitalisation of judicial processes and of the digitization of archives and judicial decisions, an **Integrated Administrative Court Case Management System "OSDDY-DD"**, which covers all administrative Courts and the Council of State was delivered in 2015. On the 23 March 2022, an international call for bids was published for the upgrading of this case management system with the contract expected to be signed in the 4th quarter of 2022. In parallel, a new project for the **digitization of court documents** and the **upgrading of the Court Records Management System** of the civil and criminal courts is being designed and the call for bids is being prepared. The relevant contract is to be signed in the 4th quarter of 2022.

With the aim of broadening and upgrading the education of clerical staff, a **National School of Judicial Clerks** will be established by the 4th quarter of 2024. In that context, the adoption and entry into force of the primary legislation for the National School for judicial clerks is to be concluded in the 4th quarter of 2022. Newly recruited judicial clerks will be trained for a sufficient period of time prior to the start of their term of office. There will also be a program for continuing education for those already serving. Furthermore, a **Judicial Clerks Performance Tool** will be adopted to enhance judicial clerks' productivity, by providing bonuses based on objective performance indicators and strategic goals (especially reducing backlog). The aforementioned tool will introduce KPI's by department and/or category of clerks and provide accurate and objective data on the allocation of bonuses. An agreement has been signed between the Ministry of Justice and the World Bank, whereby the relevant report, note and technical input will be delivered by mid- 2022.

Furthermore, an **Office for the Collection and Processing of Judicial Statistics (JustStat)** has been established (Law 4700/2020). The office's mission includes the following objectives: (a) the systematic collection of statistical data, either through the relevant information systems, or after transmission by all the courts and prosecutors of the country for each category of cases and proceedings before them, (b) the creation of quantitative and qualitative variables and (c) the measurement of the performance of each judicial unit by region and degree of jurisdiction and each judicial district as a whole, in order to facilitate their evaluation by the competent judicial bodies. The Presidential Decree on the operation and staffing of the Office is expected to be adopted and the supervising committee to be formed in the second quarter of 2022. The Business Intelligence System is expected to be functional by the end 2023.

Moreover, the establishment of the **Judicial Police** is a reform destined to support and enhance the functioning of Justice, by contributing to the investigation of complex crimes (including financial crime, corruption and money laundering) and by assisting in the conduct of preliminary examinations and investigations, the enforcement of judgments and the service of documents and procedural acts. Progress is ongoing and the primary legislation is to be adopted by the second quarter of 2022, while the secondary legislation by the third quarter of 2022.

Also, the projected revision of the judicial map across the country will result in a rational reorganisation of judicial districts and the establishment, abolition or redistribution of judicial structures, based on objective criteria that will lead to the acceleration of the administration of justice. Primary legislation regarding administrative courts will enter into force by the fourth quarter of 2022, while respective legislation for Civil and Criminal Courts will come into legal effect by the end of 2023.

With the purpose to maximise judicial efficiency and avoid unnecessary effort and expenses the following projects will also be partially funded through the RRF: Acquisition of buildings for the housing of courts and prosecutors' offices, relocation of courts, renovations and energy upgrading and construction of new courthouses. A tender call on the construction for the Courts of Piraeus (Civil & Administrative Courts) is expected to be launched by the fourth quarter of 2022. For the renovation of Courts of Administrative Justice including the Council of State, a tender call is estimated to be launched for the fourth quarter of 2022. As for the relocation of the Court of First Instance of Athens, the relevant contract on the preparation for the request for proposal has been already signed between the Ministry of Justice and HRADF. Projects will be fully completed and handed over to users by the end of 2025.

Last but not least, the introduction of the institution of “**pilot trial**” in civil Justice, following the successful example of the same institution in administrative justice, is expected to accelerate the proceedings. This reform is now in the implementation phase.

### **Part C - Not RRP related**

A reform concerning the soundness of the financial system, which is also a June 2018 commitment to Eurogroup, is to formulate a divestment strategy from banks, in the capital of which the State participates through the **Hellenic Financial Stability Fund (HFSF)**, or where it may participate in case of conversion of the DTC to common shares. To date, Law 4783/2021 that allows HFSH to participate in share capital increases has been published and other legal amendments have been adopted, in order to provide banks with more flexibility to further reduce their NPLs and to allow the simultaneous share capital increase and the conversion of deferred tax credits. Utilising the new legislation, HFSF has participated in the successful share capital increase of a non-systemic bank where it had a significant stake. The next steps concern the adoption of the new law concerning the future of HFSF (mandate, duration of operation etc.) in Q2 2022.

With regards to NPLs the ‘**Hercules**’ scheme was designed to assist banks in securitising and moving NPLs and facilitate the provision of new, viable credit. Since the introduction of the scheme in October 2019, Greek banks have made significant progress in reducing the stock of their NPLs and the European Commission has approved the prolongation of the scheme for another 18 months, until October 2022.



In summary, the guarantees granted to securitisations submitted during the first phase of the scheme (Hercules I) amount to EUR 11.7 billion, while the guarantees granted to securitisations submitted under the second phase of the scheme (Hercules II) amount to date to approximately EUR 7 billion. In total, EUR 18.7 billion of guarantees been granted under the scheme until March 2022, a figure which is estimated to reach EUR 21 billion at the end of its duration. In total, according to ECBs data, total NPLs of Greek banks have more than halved between 2020 and 2021 and are moving towards single digit percentages in 2022. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

Moreover, with the enactment and implementation of the new **unified insolvency framework** for the debt settlement and second chance (L.4738/2020), the Greek Government seeks the prevention and treatment of over-indebtedness. This law integrates all the individual debt settlement tools in a single framework, with the aim of either preventing and avoiding insolvency or tackling it. The aforementioned law entered partially into force on March 1, 2021 (for the rehabilitation of businesses, as well as for ordinary/ bigger scale bankruptcies), together with the required platforms and infrastructure. The remaining provisions of the law (related to households, small materiality/simplified bankruptcies etc.), as well as the required platforms (OCW platform etc.), started entering into force from June 1, 2021, with the latest functionality being the ‘early warning mechanism’, which became operational in December 2021. The drafting of the respective secondary legislation is ongoing and in total 28 decisions have been published by 31/3/2022. To date, the use of the respective platforms ranges from modest to substantial, it is consistently growing, it is continuously monitored for problem resolution and functionality enhancement, and training sessions for its primary users (lawyers and accountants) are taking place. There is mounting interest for the OCW platform, where until the last week of March 2022, fully submitted applications reached 3,074, increasing by 15% since December 2021, with the vast majority of applicants (91%) being households. Out of these, 1,708 applications have an algorithm proposed settlement, 468 have been received by debtors and 205 have been accepted. There is also good progress in the second chance platform for small and ordinary bankruptcy, where 1036 applications have been submitted until the end of March and where the applications validated by court almost tripled (236 compared to 82 in December 21). There is some interest in the rehabilitation platform for debt restructuring of medium and large companies, where 29 applications have been submitted to court (24 in December 21) and seven decisions were ratified by court. In end-April, a report by the technical advisor is scheduled to be delivered with proposals for possible modifications and improvements to the legal framework, based on the actual implementation of the Law to date. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

In addition, with the aim to increase the financial literacy of the whole population, a request for technical support has been submitted from Greek authorities to the European Commission for the development of a **national strategy for financial literacy for Greece**. The request has been approved (Project 21EL40) and is funded by the European Commission and supported by the OECD. The implementation period of the project is expected to last 24 months (from October 2021 to September 2023). The ultimate users of the project outputs will be individuals, households, and businesses in Greece. In the aforementioned period, the project, after conducting a study of the existing financial education activities in Greece (April 2022) and a gap assessment and benchmarking report, will deliver a

National Strategy for Financial Literacy (July 2023), including a high-level document and an action plan for implementation. More detailed information is provided on Table 1 – 2020 CSR 4, subpart 1.

Furthermore, the new **market-related property tax values**, based upon the nationwide revaluation and expansion of the existing objective value zone system have been adopted, with the aim to rationalise and broaden the property tax base. A new digital platform using a Geographic Information System (GIS) that provides an interactive map of real estate price zones was also launched. The second phase of the objective value zone system reform, which is now being implemented, aims to develop a system that will monitor trends in the real estate market in real time, ensuring the equation of the objective values with the market values. Technical assistance is provided in order to develop the appropriate procedures and tools, and the technical assistance project will be completed with the pilot implementation of the Computer Assisted Mass Appraisal (CAMA) system in August 2022.

The **EN.F.IA** property tax reform was completed with the adoption of Law 4916/2022 and is expected to lead to greater fairness and economic efficiency of this property tax. According to the new legislation, the supplementary tax on individuals is abolished and will be integrated in the main property tax, according to the total value of the property. A new tax calculation scale will apply for buildings and plots of land located in areas with low and medium price zones, as a result of the consolidation of existing tax calculation scales. Reduced tax rates will be applied for buildings located in areas with price zones up to EUR 4,000 and for all plots of land. Tax credit will be calculated according to the total property value and will be granted on a permanent basis. Tax credit increases for total property values up to EUR 150,000 and is abolished for total property values greater than EUR 400,000. Tax credits provided for taxpayers with economic difficulties and special needs will continue to apply. The above adjustments simplify the real estate tax system leading to more rational, fair and proportionate property taxation.

Greek authorities also promote structural reforms such as the **Administrative Codification of Social Security Law**. The tender procedures have been carried out and a temporary contractor has been appointed. The award of the tender and the signing of the contract are expected by May 2022. The duration of the contract is 10 months, so the project will be completed by March 2023. At the same time and until October 2022, an **administrative codification of labour law** will have been completed.

In the justice sector, under the objective of simplifying and digitising judicial processes and decisions, the **consolidation of twenty-five economic and business activity certificates related to judicial solvency** issued by the Courts throughout the country into a "Single Certificate of Judicial Solvency" has been completed and the single certificate is provided electronically by the Courts from June 2021 onwards.

Furthermore, the national land registry "Hellenic Cadastre" has already been put in place with electronic services for landowners, lawyers, notaries and engineers, allowing for the exchange of documents, legal research and map viewing. **Access will also be given to judges hearing property ownership cases** (Q3 2022).

Another project for the **application of e-dockets and remote trials** (tele-trials) has as main objective the development and commissioning of the information system, through which the real-time publication of the progress of the dockets of the Courts will be made available to interested parties (lawyers, citizens,

etc.) on the Internet. Another pilot subsystem has been implemented for informing citizens about the progress of the dockets of the Athens Court of First Instance, through which any interested party can follow in real time the progress of the Athens Court of First Instance trials. In March 2022 the contracting of the project "Teleconferencing services in courts and prisons and provision of services for updating the progress of the boards and dockets of the courts (e-dockets)" was completed.

Primary legislation with a new **revised Code of Organisation of the Courts and Judges** will be adopted, placing heavy importance on the evaluation of judges amongst other reforms assisting in guarantees against delays. The new code will come into effect in Q2 2022. The section on the evaluation is to be effective from the new judicial year (September 2022).

Under the broader scope to promote the digital transformation of businesses, the respective skills & digital competencies are upgraded through the enrichment of the curriculum in the **National School of Judges**. Law 4871/2021 on the restructuring of the National School of Judges also provides for the training of judges in service. To that end, regular mandatory training programs are provided for all judges, which include training courses and relevant workshops. These include the impact and application of new technologies, in particular information technology, artificial intelligence and electronic systems, on the development of law, the administration of justice and the work of the judiciary. This training will be continuous.

## **4. Progress towards UN Sustainable Development Goals (SDGs)**

### **4.1 Political commitment**

According to "Sustainable development in the European Union - Monitoring report on progress towards the SDGs in an EU context - 2021", Greece is moving towards implementing all 17 SDGs, albeit at a lower speed largely affected by the pandemic. The country's full commitment to sustainable development is illustrated by the fact that it was one of the only two EU-members reported not to move away from any SDG in 2021. Certainly, there is a need for accelerating its performance to converge towards the EU average acknowledging, nevertheless, that not all indicators can fully reflect the pandemic impact yet. For Greece, the 2030 Agenda and its Sustainable Development Goals provide a transformative guiding framework, ensuring a resilient and sustainable recovery from the enormous economic and social impacts of the COVID-19 pandemic, facilitating the green and digital transition of the economy and society, and promoting fair and sustainable growth, while leaving no one behind. The three dimensions of sustainable development - economic, social and environmental - and the SDGs lie at the heart of the Greek Government programme and policy-making process. They are reflected and integrated, in a coherent and balanced manner, in the strategic national priorities and overall policy framework, including reform strategies, action plans, legislation, funding programmes and instruments.

## 4.2 Governance for Sustainability

The overall responsibility for monitoring and coordinating, at the highest political level, the national implementation of the 2030 Agenda and the SDGs lies with the Presidency of the Government (PoG), specifically the General Secretariat of Coordination (GSCO) which, in July 2022, will present at the UN High-level Political Forum on Sustainable Development Greece's second Voluntary National Report (VNR) on the implementation of the 2030 Agenda for Sustainable Development. Greece's second VNR mainly provides an overview of the overall progress achieved from 2018 until 2022, in terms of policy measures, legislative initiatives, financial instruments, partnership schemes and institutional reforms adopted to accelerate the full implementation of the SDGs and to build back better from the adverse economic and social consequences of the COVID-19 pandemic. The preparation of the VNR is conducted in close cooperation and consultation with all ministries and key stakeholders, including the Hellenic Parliament, regional/local authorities, social partners, civil society, guided by a whole-of-government and whole-of-society approach. The work on the SDGs is supported by:

- An Inter-ministerial Coordination Network for the SDGs of representatives from all ministries, acting as focal points in charge of working on SDGs-related issues within their respective ministries and mainstreaming them in thematic policies and legislation.
- The Hellenic Statistical Authority (ELSTAT) which has developed, after consultation with all ministries, a set of specific national indicators on the SDGs, selected from the global SDGs indicator framework and the EU SDG indicator list, with a view to monitoring the quantitative progress made towards the achievement of the 17 SDGs at national level.

## 4.3 Main forward-looking measures

In addition to systems, sustainability is also fostered in policies. Both the National Reform Plan and the Recovery and Resilience Plan (Greece 2.0) introduce a wide spectrum of comprehensive and forward-looking reforms and investment actions inextricably linked to the core priorities and objectives of the SDGs, providing major leverage for the transformation of the country's economic model. These are expected to address the gaps identified in the *Commission staff working document* accompanying the proposal for a Council Implementing Decision on the approval of the assessment of the RRP, as follows:

Regarding “**Smart, sustainable and inclusive growth**”, in 2021 the Government integrated, for the first time, sustainability and environmental footprint indicators in the process of drafting and implementing the state budget, within the framework of a green budgeting and performance reform, which aims to increase and enhance transparency, coherence, resilience and inclusiveness in public financial management. Greece also puts forward actions and initiatives that strengthen and reinvigorate the overall financing framework for sustainable development, through ensuring the mobilization of adequate financial resources and the effective implementation of a wide range of long-term national and EU funding programmes and instruments that foster the promotion of all dimensions of sustainable development, including the Public Investments Programme, the new Investment Incentives Law (2022) and the new Strategic Investment Framework (2021).

The main forward-looking measures that address challenges associated with the predominantly small size of Greek enterprises include targeted and time-bound incentives for increasing the size of business activity in order to foster productivity and strengthen the international orientation of the Greek economy. In the same direction, tax incentives for super-deduction of expenses to strengthen investment by small and medium-sized enterprises in green economy, energy and digitization will encourage shifting in high innovation sectors and mitigate the impact of the economic and pandemic crisis.

A bundle of investments and reforms are also implemented in the banking/financial sector in order to improve its resilience and tackle the accumulation of NPLs. The RRP Loan Facility is a mechanism for the provision of financial incentives to the private sector, aiming to promote investments for the green transition, digitalization and extroversion, to facilitate economies of scale through mergers & acquisitions and to reinforce innovation (R&D). In the context of dealing with the NPLs, a group of reforms through RRF have been adopted that include three main objectives. First, to strengthen the capacity of the financial system to overcome legacy challenges and finance the real economy through the establishment and operation of a Public Credit Bureau, the implementation of the National Strategy for private Debt Management, the development of a Private debt monitoring register and the establishment of the Central Credit Bureau. Second, to implement a new, unified insolvency framework which aims to upgrade the necessary digital infrastructure needed to support the early warning and preventive debt restructuring procedures. Third, to promote new loans through the establishment of the Credit Expansion Observatory. Apart from RRF reforms, 'Hercules' scheme was designed, to assist banks in securitizing and moving NPLs off their balance sheets, in order to free up space and provide new credit. Also, a new legal framework introduces a holistic approach to insolvency legislation, which enables households and businesses to settle debts. In this context, the Sale and Leaseback Organization is established in order to protect vulnerable debtors' primary residence from enforcement actions. Finally, to complement positive implications for private debt in the long term, the National Strategy of Financial Literacy provides necessary knowledge to the whole population in Greece about effective financial decisions and innovative financial services.

Sustainable economic recovery cannot be achieved without the enhancement and safeguarding of the financial system. Streamlined forward-looking measures resulting in a more efficient and competitive functioning of the capital market are adopted for the codification and modernization of its regulatory and legislative framework and effective data management. In parallel, the national anti-money-laundering and countering the financing of terrorism (AML/CFT) reform aims at increasing integrity and fighting financial crime through the digitization of transparency rules and strengthening the existing measures.

In respect to “**Social and territorial cohesion**”, the Government has adopted over the last two years a number of strategic National Action Plans that integrate, in a balanced manner, the three dimensions of sustainable development and highlight the importance of mainstreaming in public policies and reform measures the principle of *leaving no one behind*, placing particular emphasis on targeted measures and initiatives which support the most vulnerable groups and promote human rights, gender equality and social inclusion.

In order to further achieve equality, social development and cohesion Greece adopts reforms that aim to tackle chronic issues such as persisting unemployment, gender inequality and low integration of vulnerable groups. Active and passive labour market policies are redesigned in order to provide incentives to people actively seeking employment and focus on extensive upskilling and reskilling of the workforce, especially in the most dynamic economic sectors. A new set of policies was recently adopted, including a strategy for lifelong skilling, based on a new diagnostic mechanism for labour market needs and a quality assurance framework for upskilling. The national employment service will be reorganized with a view to raise its potential for individualized services to the unemployed. Labour market is also going through an extensive reform both regarding individual and collective labour relations as well as the workplace conditions. A major challenge is to address the gender employment gap and low female employment per se. Therefore in all above mentioned measures the gender dimension is seriously taken into consideration. Moreover, facilities are created and services are designed to provide quality and accessibility to all child care as well as to support parents, especially mothers, to retain their work positions. Education also plays a significant role: all interventions are oriented towards educational results being also designed with a view to inclusiveness and labour market integration. Primary and secondary education are redesigned and quality criteria are being implemented, while the reform of VET aims at increasing participation and provide labour market with a highly skilled workforce in sectors of high demand. The reform of higher education also aims to enhance the quality of Greek universities and strengthen their studies' relevance to the job market. A significant set of measures will be undertaken to support vulnerable groups such as migrants, refugees, Roma population and people with disabilities and ensure their integration into socioeconomic life. Specific national action plans, that were recently adopted, address the needs of these populations and a safety net is being further developed to prevent marginalization and actively enhance participation. In all the aforementioned interventions digital transformation of services is a critical factor of success as it not only reduces red tape and costs but also ensures accessibility for all and consistency in quality of services.

Regarding “**Social and institutional resilience of Health**” the Greek Government has already set sail to achieve a structural reform of healthcare on several levels. Thus, the financial reengineering of healthcare begun with a 30% centralization of procurements for 2021, setting a 40% target for 2022, while at the same time structural measures were taken to reduce clawback progressively until 2025 and the implementation of the DRG system in hospitals is accelerated in order to rationalize hospital budgeting. Another priority has been to ensure equitable access to healthcare for all citizens in order to minimize the rate of unmet needs. A comprehensive programme for the digitalization of health will be implemented, providing digital access to a vast number of quality services for all patients, while digital means will be at the disposal of doctors cutting down red tape and care costs. An upgrade of infrastructure and equipment is also planned for both hospitals and primary healthcare facilities along with personnel upskilling. Accessible and affordable healthcare is also the target of the extensive reform of Primary Health Care (PCH) beginning with the establishment of 60 new TOMYs and a family doctor network that will provide effective gatekeeping through a referral system. The updating of medical academic curricula complements the interventions in PHC. Regarding long-term treatment, reforms introducing Hospital at Home, reinforcement of social welfare institutions and the introduction of chronic disease management in PHC are some of the most significant interventions to be implemented

in the following years. Last but not least, a 5-year National Public Health Plan which includes the detailed National Prevention Program "Spyros Doxiadis" aspires to shift the focus from treatment to prevention of diseases, not only through extensive screening for all the population, for early identification and effective secondary prevention, but also through the combat of environmental and behavioural factors that affect mortality.

Concerning “**Institutional quality**”, Greece attributes particular importance to integrating the principles of sustainable development and the SDGs in the better regulation framework, state budget and key financial instruments. In this regard, the Greek Government drafted and published in 2020 a new, comprehensive and redesigned Manual and Template on Regulatory Impact Assessment (RIA), introducing, for the first time, the SDGs, in a systematic manner, into the regulatory policy and governance. The RIA incorporates a distinctive index addressing the consistency and compatibility of the proposed regulatory measures with the three dimensions of sustainable development and the SDGs, significantly mainstreaming all 17 SDGs into the Greek legislation and further strengthening the transparency and accountability of the legislative process. In addition, the Government is in the process of publishing in 2022 a new Manual and Template on Ex-post Evaluation of Legislation, which addresses, inter alia, the extent to which the existing legislation has contributed to the achievement of the SDGs.

The establishment of multilevel governance aims at ensuring representative decision making at all levels. A vertical redistribution of responsibilities among the three tiers of government (National, Regional and Local) is planned to be implemented, through the creation of a mechanism for the organization and monitoring of multi-level governance policies along with the adoption of relevant legislation.

Especially in justice, a comprehensive reform plan aiming at addressing its chronic challenges of efficiency, effectiveness and quality has been designed and is under implementation. At the same time this ambitious plan promotes equal access to justice for all. More specifically, under Greek RRP key structural reforms such as the projected revision of the judicial map across the country, the creation of Judicial Police for providing support to complex crime investigations (including financial crime, corruption and money laundering), regular and mandatory training programs provided for all judges and the establishment of a National School of Judicial Clerks are expected to result in more effective distribution of resources and enhancement of justice’s capacity. Moreover, the implementation and expansion of justice’s central information system, the digitalization of court documents and the upgrading of the Court Records Management System to support the operational functions of administrative, civil and criminal courts of the country, alongside with acquisition or renovation of judicial buildings are expected to improve the quality of justice services to citizens, but also to accelerate the judgment of pending cases. The Government’s planning also includes the establishment of the independent Office of Collection and Edit of Judicial Data (JustStat) with a view to increasing the effectiveness and efficiency of justice through systematic collection of statistics concerning both traditional and alternative dispute resolution procedures.

Justice reforms are expected to positively affect the **business environment**, which is also closely related with other major, forward-looking institutional reforms and investments that are under way in order to

pursue economic growth. Several measures are prioritized within the Greek RRP, including the simplification of the business environment and its quality and safety upgrading, which aim to facilitate the procedures and lift obstacles facing enterprises as well as to promote a sustainable and digitalized business environment. In addition, the Ease of Doing Business reform is designed in order to ensure, inter alia, reduced procedures, time and cost in 6 sub-areas: enforcing contracts, getting credit, getting electricity, registering property, paying taxes, and getting a construction permit, as well as a stable and predictable legislative framework for businesses. Moreover, the reform on the amendment of the legal framework for the attraction of strategic investments intends to promote Greece as an attractive destination to potential investors by making the framework clearer and to add new fields of economic activity and potential Important Projects of Common European Interest (IPCEI). The new Strategy for Trade Facilitation is expected to propose measures on boosting exports by streamlining procedures and facilitating cross-border trade for companies operating in Greece that will be funded under the Greek RRP. Furthermore, there is an initiative which aims to combat illicit trade and protect intellectual property rights through the reinforcement of the Interagency Unit for Market Control and through targeted information and dissemination programmes.

## **5. EU funds**

In the programming period 2021-2027 coordination and complementarity among the Structural Funds of the Cohesion Policy and the other EU funding instruments (including RRF) are to be achieved through the Ministry of Development and Investments and especially the Secretary General of Public Investments and ESPA (Partnership Agreement) and the National Coordination Authority.

Given the similarities in the interventions between the RRF and the Cohesion Policy programs, but also the different times of implementation between the two instruments, a clear demarcation will be ensured through the coordination mechanism at the time of the calls of proposals both thematically and in terms of sequencing. As it was proposed in the approved Partnership Agreement (ESPA), effective mechanisms were set up or are foreseen to be put in place in order to ensure both complementarities and demarcation when needed. One such mechanism is the Coordination Council. In the recently published Law 4914/2022, a Coordination Council which consists of all Secretaries General responsible for sectoral policies and which will convene at least once a year is established. The purpose of the Council is to ensure complementarity of the interventions, synergies, and when need demarcation of the interventions funded by the various instruments most notably, the RRF and Cohesion Policy.

The National Coordination Authority and especially the Directorate General for Strategy, Planning and Implementation of the Partnership Agreement (PA) will carry the responsibility of ensuring the maximum synergies and complementarities among the funds. It will include a special unit to monitor and ensure complementarity but also demarcation of interventions funded through the PA and the RRF.

The use of the common Integrated Information System for RRF and the Programs of the Partnership Agreement will ensure elimination of any double financing. Details on the avoidance of double-funding are provided in the section on “Complementarity of funding” of the Greek RRP (page 528).



More specifically demarcation between the Partnership Agreement, the RRF and other Union Instruments is described as follows:

#### Policy Objective 1:

There is a direct link between the policy choices foreseen in the Partnership Agreement and, by extension the sectoral program “Competitiveness 2021-2027”, and the priorities of the RRF for digital transformation, private investments and the systematic support of productivity and the extrovert nature of the Greek economy.

Interventions in Policy Objective (PO) 1 will be mostly funded by the Sectoral Program “Competitiveness 2021-2027”, while 20% of the resources are allocated to the Regional Programs and also the RRF. Components 4.5 and 4.6 of the RRF plan which aim at improving the link of production with research and innovation, and the improvement in productivity and competitiveness of critical sectors of the Greek economy (tourism, culture, agri-food products, processing, transportation and logistics) through targeted reforms are in synergy with the PA priorities in PO 1, jointly supporting the same objectives. Demarcation opportunities are focused on the differences in the calls for proposals, the policy objectives but also from the distinct cycles in terms of time of implementation. To this effect, it must be noted that a special unit has been set up under the Secretary General to ensure complementarity, coherence and demarcation among the sectoral program and the regional programs, but also the RRF.

Regarding digital transformation, priorities in the RRF promote reforms and investments in the household and business broadband connections, expansion of new generation networks, the technological and digital improvement of enterprises and improvement of digital competencies. In this area, the priorities pursued by the RRF are aligned with those in the PA ensuring a high degree of complementarity and synergy. It is crucial to point out that the digital projects in the RRF are all specifically defined, thus ensuring the total demarcation with those funded by the programs of the PA.

Policies like the promotion of smart cities will be funded by the Cohesion Policy and the RRF. The RRF will intervene in cities over 100.000 inhabitants while the sectoral program and the Regional Programs will fund mostly all other cities. If needed, however, they will also fund selected actions in larger cities.

It is important to note that a new mechanism of coordination and control is being set up. The new mechanism will approve all digital projects funded by Cohesion Policy, other EU instruments and national funds.

#### Policy Objective 2:

Given the importance of the Green Deal but also the regulatory obligation for resources to be allocated to actions regarding climate, both the RRF and the PA will fund interventions covered by policy Objective 2. Such priorities include solid waste and waste water management, environmental protection and biodiversity, sustainable urban transport, and circular economy.

Specifically, solid waste management will be funded by the sectoral program “Environment and Climate Change 2021-2027”, while waste water will be funded mostly by the regional programs. Regional Programs can fund green points and green corners.

Interventions regarding biodiversity will be implemented through the central agency of “OFYPEKA” and will be mostly funded by the sectoral program. The Regional Programs will fund interventions at the local level.

Prevention and early warning systems in archaeological sites and NATURA 2000 sites will be funded through the RRF, while the sectoral program “Civil Protection 2021-2027” will fund the rest.

For all interventions falling within the scope of PO 2, complementarity is ensured at the planning stage but also at the implementation through various mechanisms. Demarcation can be achieved at project level, the differences in the calls of proposals but also the distinct cycles for calls of proposals. Through the mechanisms established in the national Coordination Authority, the appropriate sequencing will be ensured. Furthermore, almost all projects in the RRF plan are defined, therefore ensuring beforehand both, complementarity and demarcation.

#### Policy Objective 3:

Component 4.6 of the RRF Plan promotes the development of modern, smart and sustainable transport infrastructure aiming at ensuring the interface of passenger and cargo transport at national, regional and local level, the improvement of services and enhancement of road safety. The priorities in the RRF are aligned with the priorities in the PA targeting the same objectives.

Both the sectoral program (ERDF-CF) and the RRF include such projects which are defined, therefore ensuring both complementarity and differentiation of interventions. The regional programs will finance projects of local nature.

#### Policy Objective 4:

There are strong synergies between the RRF and the Partnership Agreement regarding the areas of employment, education and vocational training, health and care and the provision of quality social services. The complementarity and the demarcation are ensured through the Directorate General of Strategy, Planning and Implementation of the Partnership Agreement as depicted in Law 4914/2022.

Further elaboration might be possible after the end of April following the official submission of the Program “Human Resources and Social Cohesion 2021-2027”.

#### Policy Objective 5:

Integrated Territorial Instruments (ITI) Strategies will be funded through the Partnership Agreement and, specifically, the Regional Programs.

Through the RRF, the integrated spatial planning at local level is promoted, which ensures complementarity and support to the ITI.

Urban Regeneration projects and projects aiming at culture preservation objectives will also be funded through the RRF. In the case of RRF, the urban regeneration projects are defined and will be supplemental and supportive to the ITI.

### Partnership Agreement

The elaboration for the design of the Partnership Agreement (PA) started in the first months of 2020 with the Development Forum with the participation of line ministries, regional and local authorities and other stakeholders. Following the Development Forum, ministries, regional and local authorities and stakeholders submitted their proposals to the Ministry of Development and Investments and the National Coordination Authority in order to formulate the basic strategic tenets of the Partnership Agreement. Due to COVID-19 the elaboration and internal consultation primarily relied on distance communication (use of ICT). In addition, a notable improvement in the dialogue and consultation process was the establishment of Policy Objective Groups (one Group for each Policy Objective), which consisted of representatives of the relevant ministries / general secretariats, of social partners, and other relevant bodies. The Policy Objective Groups were the main bodies for consultation and planning. The dialogue was based on proposals submitted by ministries / general secretariats, social partners and other stakeholders following a circular sent by the National Coordination Authority for European Structural and Investment Funds. The governance system of the Partnership Agreement design included in addition to the Policy Objective Groups (3rd level of governance), the Planning Coordination Group (2nd level) and the Policy Planning Committee for the Partnership Agreement (1st level) consisting mainly of Secretaries General of Ministries and coordinators of government work. The timely elaboration of the draft Partnership Agreement and their submission to the European Commission and the subsequent negotiation with the European Commission resulted in the approval of the Greek Partnership Agreement in July 2021.

In order to achieve the maximum participation and diffusion of knowledge the partnership agreement portal ([espa.gr](http://espa.gr)) and other platforms was utilized. All interested parties could access pertinent and timely information as well submit proposals.

It is noted that deliberation on the priorities for the 2021-2027 Programming Period began in 2018 with the undertaking of the OECD Review on Regional Policy of Greece post 2020, during which four meetings with the participation of line ministries, regional and local authorities, local actors representatives of civil society and business sector as well as citizens openly discussed the main challenges and priorities for the next partnership agreement.

### The main characteristics of the Greek Partnership Agreement have as follows:

- a) Increased resources in Policy Objective 1 (Smarter Europe). This accounts for 38% of the total ERDF resources which is significantly higher than the required 20%), thus covering the thematic concentration for the ERDF, indicating the emphasis on entrepreneurship, innovation and digital transition,
- b) Increased resources in Policy Objective 2. This accounts for 31% of total ERDF resources, thus covering the thematic concentration on the ERDF and the Cohesion Fund, highlighting emphasis on

green transition, climate protection, biodiversity and civil protection. It is noted that civil protection constitutes for the first time a distinct program,

c) The increased resources for human resources and social cohesion. This is particularly the case for ESF+ resources allocated in areas such as social inclusion, youth employment and measures for the most deprived far exceeded the regulatory requirements reaching 28%, 15% and 6% respectively.

(d) Increased Regional Programme resources by € 2.2 billion,

(e) The distinct Just Transition Programme for areas affected by the transition to a low carbon economy, for which 7% of total resources are available.

About 30% of the ERDF resources and 37% of the Cohesion Fund resources are dedicated to measures addressing climate change while 8% of the ERDF resources are dedicated to sustainable urban development.

### Programmes

The PA consists of nine sectoral programmes, (including one for Technical Assistance and Support of Beneficiaries, JTF as a separate programme and Maritime, Aquaculture and Fisheries), as well as thirteen regional programmes.

The Programmes were submitted to the European Commission in October 2021, three months after the approval of the Partnership Agreement. Comments were sent by the Commission and meetings were organized with each programme for further deliberations.

The programmes will be formally submitted to the European Commission in April given that the need to adopt the new European Budget by April allowing for the late adoption of the Regulations of the 2021-2027 Programming Period and resources allocated for the year 2021 to be equally divided in the years 2022-2025.

Formal adoption of the programs is expected in early summer 2022.

The resources related to the European Structural and Investment Funds (not including JTF and EMFAF) amount to €19 billion EU contribution and €24 billion public expenditure. These are allocated to the programs as follows:

**Table 2: PA programmes**

Programme	EU contribution	Total
Competitiveness	3.089.121.492	3.885.085.450
Human Resources and Social Cohesion	3.324.519.361	4.161.594.203
Digital Transformation	753.325.749	943.004.304
Environment and Climate Change	2.978.012.279	3.606.846.143
Transport	1.854.325.521	2.224.091.286
Civil Protection	570.190.646	713.757.939
Technical Assistance and Beneficiary Support	405.144.583	504.394.129
Anatoliki Makedonia, Thraki	543.234.017	639.098.844
Kentriki Makedonia	1.224.087.320	1.440.102.730
Thessalia	470.802.814	553.885.664
Ipeiros	362.156.013	426.065.898
Dytiki Ellada	534.180.118	628.447.197
Dytiki Makedonia	334.994.311	394.110.954
Stereia Ellada	362.156.013	426.065.898
Peloponnisos	348.575.163	410.088.427
Ionia Nisia	244.455.306	287.594.478
Voreio Aigaio	334.916.486	394.019.395
Kriti	479.856.714	564.537.311
Attiki	808.497.748	1.616.995.496
Notio Aigaio	142.676.075	285.352.150
<b>Total</b>	<b>19.165.227.729</b>	<b>24.105.137.896</b>
Just Development Transition	1.375.059.412	1.629.187.543
<b>Total</b>	<b>20.540.287.141</b>	<b>25.734.325.439</b>
Maritime, Aquaculture and Fisheries	363.746.026	454.682.533
<b>Total</b>	<b>20.904.033.167</b>	<b>26.189.007.972</b>

## 6. Institutional processes and stakeholder involvement

The Greek NRP mainly comprises of:

- a) Reforms implemented within the context of the Enhanced Surveillance framework, corresponding to prior commitments Greece has made to the Eurogroup.

b) Reforms implemented within the context of the RRP framework. As far as these reforms are concerned, a concrete procedure has been followed regarding their planning and stakeholders' engagement for planning and selection, as described in pages 683-686 of the Greek NRPP, Greece 2.0. The NRRP was debated in Parliament and took the institutional form of Law. Additional consultation with the key stakeholders is provided for the implementation phase. At the same time, a series of public events are being planned to get stakeholders and the public more involved and, thus, increase ownership of the Plan.

c) Reforms included in the Ministries' Annual Action Plans, designed following a concrete process, as described in Law 4622/2019. All important legislation bills are released for public consultation for a sufficient period of time at the web platform [www.opengov.gr](http://www.opengov.gr), where institutional and non-institutional parties can participate. During the law-voting procedure at the Parliament, Civil Society partners have, and actually make use of, the opportunity to express their opinion.

Consequently, for the vast majority of the reforms covered by the NRP, the ownership and participation of stakeholders is largely ensured in phases foregoing the NRP formulation. Moreover, the process of the formulation of the NRP requires contributions from the competent Ministries. The strategy contributions of the Ministries are determined at Minister or General Secretary level, where this is deemed efficient. Every Ministry can opt for the consultation with social partners with regards to aspects of the policies described in the NRP.

Content refinement and coordination of the Ministries' contributions are conducted by the General Secretariat of Coordination (GSCO) and the Council of Economic Advisors. The NRP is validated by the Presidency of the Government.

## APPENDIX

Tables below are attached as separate documents:

**Table 1:** EL contribution to CSR assessment (Reporting extracted from CeSaR)

**Table 2:** EL Reporting extracted from FENIX

**Table 4:** EL Reporting on the implementation of the European Pillar of Social Rights

**Table 5:** EL Reporting on SDGs