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COMMISSION STAFF WORKING DOCUMENT

Enhanced Surveillance Report - Greece, May 2022

Accompanying the document

COMMUNICATION FROM THE COMMISSION

Enhanced Surveillance update - Greece, May 2022

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STAFF WORKING DOCUMENT

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

Commitment	State of play and next steps
<p>(*) Fiscal. Achieve a primary surplus of 3.5% of GDP over the medium-term.</p>	<p>The General Escape Clause remains active in 2022. Greece's Stability Programme, submitted on 30 April 2022, projects the primary deficit to reach 2.0% of GDP in 2022 ⁽¹⁾ and a primary surplus of 1.1% of GDP in 2023. The authorities' projections are aligned with the Commission 2022 spring forecast. The General Escape Clause allows for a temporary departure from the budgetary requirements, including Greece's fiscal targets monitored under enhanced surveillance, provided that this does not endanger fiscal sustainability in the medium term. In its Communication of 3 March 2021 ⁽²⁾, the Commission set out its view that the decision on the deactivation or continued application of the general escape clause should be taken as an overall assessment of the state of the economy, with the level of economic activity in the EU or euro area compared to pre-crisis levels (end-2019) as a key quantitative criterion. Heightened uncertainty and strong downside risks to the economic outlook in the context of war in Europe, unprecedented energy price hikes and continued supply chain disturbances warrant the extension of the general escape clause of the Stability and Growth Pact through 2023. Monitoring of fiscal developments will continue on a continuous basis. In</p>

⁽¹⁾ The primary deficit monitored under the enhanced surveillance in 2022 is projected at 1.9% of GDP. The adjustments agreed under the enhanced surveillance framework are applied only until 2022.

⁽²⁾ Communication from the Commission to the Council on one year since the outbreak of COVID-19: fiscal policy response, Brussels, 3.3.2021, COM(2021) 105 final

Commitment	State of play and next steps
	October 2022, Greece – along with other Member States – is expected to present its 2023 Draft Budgetary Plan, which will be assessed for compliance with the Stability and Growth Pact.
<p>Public financial management.</p> <p>Complete the chart of accounts for the central administration by implementing the fund and functional classifications in the 2022 State budget.</p>	<p>Completed.</p>
<p>Public financial management.</p> <p>Extend the Chart of Accounts reform to General Government entities by mid-2022.</p>	<p>The mid-2022 specific commitment to implement the second level of functional classification has been completed. The authorities have finalised the second level of functional classification in both the investment and non-investment budgets for all general government entities and will be presented in the annual update of the Medium Term Fiscal Strategy in May 2022. The functional classification categorizes expenditure according to the purposes and objectives for which they are intended. It was the last part of the chart of accounts reform. This reform introduces a common economic, administrative and functional classification for budgetary and accounting purposes. The reform allows for a deeper analysis of public expenditure and can be used as a performance budgeting tool and thus improve the design of economic policy.</p>
<p>Public financial management.</p> <p>Complete the cash monitoring and forecasting for the General Government Treasury account system.</p>	<p>Completed.</p>

Commitment	State of play and next steps
<p>(*) Arrears.</p> <p>The authorities will implement the arrears clearance plan and avoid the accumulation of new arrears.</p> <p>Complete the implementation of reforms identified by the Hellenic Court of Auditors.</p>	<p>The target to materially clear the non-pension arrears by February 2022 has not been met, largely on account of the continued pandemic and the hikes in energy prices. The stock of non-pension arrears in March 2022 increased to €528 million compared to €238 million in December 2021 reported in the 13th enhanced surveillance report, deviating from the target by €225 million. The underperformance is observed mainly in hospitals and extra-budgetary funds where the deviation from targets reaches €121 million and €60 million respectively. The impact of the pandemic, reflected in the high number of cases and hospitalizations, continues to put pressure on hospitals resulting in increased workload and expenses. Despite that the legal amendment which simplifies and accelerates the payment of grants especially at the beginning of the year was adopted on time, the first instalment of the hospitals' annual grant was paid in March instead of January, affecting negatively hospitals' liquidity during the first months of 2022. Regarding the extra-budgetary funds, the increase in their arrears is mainly due to increased energy costs, both fuel and electricity. On the other hand, the application of the mechanism for the prevention of arrears accumulation in local governments helped the stabilisation of their arrears, which are now very close to the target.</p> <p>Supported by additional targeted actions, the remaining non-pension arrears should be materially cleared by August 2022. The authorities have proposed, and already partly implemented, additional actions to support the entities which continue to hold a high stock of arrears. As regards the hospitals, a legal provision, which solves the legality issues of hospitals' expenses and permits payments of supplies obtained through direct contract awards instead of an open regular process was adopted in</p>

Commitment	State of play and next steps
	<p>end of March. This provision in combination with the grants received in March, should ensure sufficient liquidity to repay overdue obligations in the coming months. In response to the high energy costs, the authorities plan to adopt a legal provision in May, which will allow the state to transfer an additional grant to public transport companies in order to pay their overdue obligations to electricity companies. In addition, the authorities issued in April, earlier than planned, a joint ministerial decision on the conduct of public service obligation, which increases the amount by €41 million in order to improve the liquidity of these companies. The authorities expect that the aforementioned initiatives along with the actions undertaken during the previous period will result in materially clearing the non-pension arrears by August, and possibly earlier.</p> <p>The clearance of pension arrears has slowed down since December on account of delays in implementing the planned IT improvements and lower than expected yields of previous measures. The stock of pension arrears in March 2022 reached €200 million compared to €267 million in December 2021, €105 million above the target set in October 2021. The observed deceleration in the clearance pace is mainly a result of delays in the delivery of software updates as well as difficulties encountered in the implementation of some of measures.</p> <p>The authorities have put forward additional actions to optimise and simplify the existing pension award IT and procedures, which will allow for a full clearance of pension arrears by August 2022, two months later than initially envisaged. A law amendment was adopted in April, which aims at significantly speeding up the process of awarding pensions through improved verification of the data available in the</p>

Commitment	State of play and next steps
	<p>electronic system of Single Pension Fund. According to the new provision, three months after the application, the pension award will be issued automatically by using not only the data of the insurance history that are already registered in the information system but also the declarations and data submitted by the applicant for additional insurance periods. The data that have not been verified before the pension award will be checked afterwards within three years from the issuance of the award. In addition, the authorities designed a number of additional actions due in May, which include: (a) changes in the pension application process that would allow checking eligibility before finalising the application, (b) the introduction of important IT modifications and updates to process the old stock of pension claims faster, and (c) the creation of an electronic portal to facilitate the data exchange between Single Pension Fund and applicants. These are significant enhancements that should lead to faster processing of pension claims and full clearance of pension arrears by August 2022.</p> <p>The commitment to implement reforms identified by the Hellenic Court of Auditors to prevent the accumulation of arrears has been effectively completed. The vast majority of recommendations has either been completed or will be fulfilled and further broadened through ongoing wider structural reforms included in Greece’s recovery and resilience plan. Since the last report, the authorities completed some important actions including the improvement of statistical recording of pension claims, the digitalization of the insurance history of private sector employees, corrections in the registration of pension claims with part of the insurance periods gained abroad and the introduction of controls in the process of generating fiscal reports by the Ministry of Development. This effectively finalises the work on the commitment. A small number of</p>

Commitment	State of play and next steps
	<p>(12 out of the 251) recommendations will be completed for the most part still in 2022, according to the timeline shared by the authorities. The remaining recommendations, which mostly relate to IT improvements, are expected to be completed by the end of 2023.</p> <p>The authorities have also completed a broader reform to simplify fiscal procedures and accelerate the payment chain. The authorities have adopted all the law amendments identified by the working group for the simplification of the legislative framework governing the fiscal management of the central administration and public legal entities. These include: (a) a simplification of the payment of first instalment of the annual regular grants to legal entities ensuring sufficient liquidity especially at the beginning of the year, (b) changes in the regulatory framework for preventing conflict of interest of accounting officers, (c) payment of certain types of costs through simplified procedures, (d) amendments of the legal framework regarding multi-annual obligations. These initiatives will eventually help streamlining budget execution as well as payment processes and are expected to further help the prevention of new arrears.</p>
<p>Tax administration. Reach the agreed permanent staffing positions at the Independent Authority of Public Revenue.</p>	<p>Completed.</p>
<p>Tax administration. Make the end-to-end IT collection systems fully operational.</p>	<p>The new IT collection system for the Independent Authority for Public Revenue has partially been put in place with the full operationalisation of the complete IT system expected to be rolled out by September 2022, in line with the agreed timeline. The new IT system ('EISPRAKSIS') will contain seven sub-systems, out of which</p>

Commitment	State of play and next steps
	<p>four are now in place, namely: (i) debtor and debt management monitoring, including the debtor's profile, enforcement measures etc.; (ii) submission and management of electronic notifications; (iii) risk analysis; and (iv) insolvency procedures. These four sub-systems have been rolled out to the central tax administration service of the Independent Authority, including the directorate for tax collection and tax refunds, the collection operations unit and Attica's debt collection centre. The remaining three sub-systems, including automatic offsets of tax obligations, are expected to be in place by September 2022. By that time, the complete IT system will be fully operational across all parts of the Independent Authority, including all local tax branches with a collection mandate.</p> <p>The foreseen selection process to appoint new members at the Independent Authority's management board was launched in March 2022 and is expected to be completed by end-May 2022, whereas the performance targets for 2022 set for the Governor of the Independent Authority are expected to be adopted in June 2022.</p>
<p>Tax policy.</p> <p>Greece will undertake a nationwide valuation exercise of property tax value based on market values and will update property tax values for ENFIA and other taxes fully in line with market values.</p>	<p>The authorities have completed a reform of the ENFIA property tax.</p> <p>The reform applies new market-related property tax values, widens the tax base and improves the fairness and economic efficiency of the property tax. The authorities have issued the post-reform tax assessment bills for 2022 and the payment of the first instalment of the tax is due by end-May 2022.</p>
<p>(* Health care.</p> <p>The authorities will complete the full offsetting and collection of the clawback by June every year for the previous calendar year.</p>	<p>The collection of the clawbacks continues at a regular pace.</p> <p>Clawbacks refer to the spending over and above the legislated ceiling for public spending on pharmaceuticals and other healthcare services that is due to be collected back from pharmaceutical suppliers and healthcare</p>

Commitment	State of play and next steps
	<p>providers. The authorities successfully met the target of collecting 45% of the pharmaceuticals clawbacks and rebates for 2021 and 60% of the 2021 clawback for healthcare providers. The latter was made possible by the recently introduced methodology to collect the clawback for providers on a rolling basis during the year for a 70% of the total (70% of clawback accrued in a given year can be collected during the same year). The authorities have outlined a credible timeline for further progress with the collection of clawbacks for the second half of 2022 (see Annex) and regular monitoring is expected to continue thereafter.</p> <p>The size of the clawback remains large. The pharmaceuticals clawback for 2021 is currently estimated at approximately €830 million for outpatients (the first semester of 2021 has been quantified at €430 million); or some €1 400 million when adding the clawback and rebates generated by the closed budget on hospital drugs (i.e. this refers to the amount above the legislated ceiling for hospital pharmaceuticals accounting for both discounts and the amount that the industry needs to pay back net of discounts). Notably, the legislated ceilings stand at €2 billion for outpatients and at €590 million for hospital pharmaceuticals, so actual spending currently exceeds the legislated ceilings by approximately 50%. The Recovery and Resilience Plan includes relevant measures to address the issue.</p>
<p>Health care.</p> <p>Greece will ensure the rollout of the primary health care system, in particular by opening all 240 primary health care units.</p>	<p>The authorities adopted the revised primary legislation for the primary health care reform in early May. Due to ongoing negotiations to revise contractual arrangements for general practitioners, the adoption of the secondary legislation has been postponed, but the authorities committed to adoption by early June ahead of the June 2022 Eurogroup. The implementing secondary legislation will define key elements of the</p>

Commitment	State of play and next steps
	<p>functioning of the system such as the incentives for both patients and providers to join as well as accessibility.</p> <p>The authorities committed to a revised timeline for the full implementation of the primary health care system. In particular:</p> <ul style="list-style-type: none"> • Implementation will start with the enrolment of doctors into the system. Specifically, the authorities envisage to start the enrolment of family doctors with the new contract with the Single Healthcare Fund (EOPYY) and to automatically enrol general practitioners and internists who work in public primary health care by end-May 2022. • Shortly thereafter, by the end of June, the authorities intend to complete the IT infrastructure to register and to book appointments, and start with the registration of citizens with a family doctor. The registration of self-employed family doctors into the system will proceed in parallel and will reach a level that allows to cover at least 85% of the population by July 2022. • By October, the authorities have also committed to activate the incentive scheme for registration and gatekeeping and to have at least 25% of the population registered by the same time, with 50% of the population registered by the end of 2022. <p>All remaining primary healthcare units will be open by June 2023.</p>
<p>Health care – PHC.</p> <p>Ensure the rollout of the primary health care system, in particular by opening at least 120 primary health care centres.</p>	<p>Completed.</p>

Commitment	State of play and next steps
<p>Health care – centralised procurement.</p> <p>The main body responsible for central procurement (EKAPY) will be set up, with a view to achieving a share of centralised procurement in total hospital expenditure of 30%.</p>	<p>Completed.</p>
<p>Health care.</p> <p>Achieve a 40% share of centralised procurement in total hospital expenditure by mid-2022.</p>	<p>Centralised procurement activity is broadly on track to meet the 40% target of centralised procurement in total hospital expenditure. The 40% of total hospital spending that can be subject to centralised procurement corresponds to a target of €320 million. Progress is ongoing although with minor delays accumulated in the phase of technical specification of the tenders. Tenders worth more than €45 million have already been completed and are ready to be contracted. Almost thirty tenders are currently ongoing, although at different stages in the procurement process: tenders for an approximate value of €200 million are close to issuance, which is currently planned by May; additional tenders worth more than €90 million are planned for issuance by June, but these require further work to finalise elements such as technical specifications and pricing. The remaining tenders to reach the 40% target will likely be launched soon thereafter. The authorities committed to providing regular updates on the progress with centralised procurement.</p>
<p>Social welfare.</p> <p>Apply to all disability benefits the new approach for disability determination based on both medical and functional assessment.</p>	<p>Secondary legislation was adopted on 24 March setting out a new disability assessment approach based on both medical and functional criteria, thus completing the policy commitment. A Joint Ministerial Decision by the Ministers of Labour and Social Affairs and Finance set out the new approach, which will be applied in the next months for granting personal assistance benefits to person with disabilities on a pilot basis. Disability assessment will be based on both medical and</p>

Commitment	State of play and next steps
	functionality-related criteria and made by multidisciplinary assessment committees. Applications for potential beneficiaries started on 14 April and were completed on 15 May 2022.
<p>Social welfare. Complete the set-up of the single pension fund EFKA.</p>	Completed.
<p>Social safety nets. Complete the rollout of all three pillars of the Social Solidarity Income (SSI) scheme.</p>	Completed.
<p>Social safety nets. Review the system of subsidies for local public transport.</p>	Completed.
<p>(* Financial stability. Greece will continue to implement reforms aimed at restoring the health of the banking system, including non-performing loans resolution efforts by ensuring the continued effectiveness of the relevant legal framework (i.e. household and corporate insolvency, out-of-court workout, non-performing loans sales, e-auctions) and taking all necessary actions to this effect. Greece will implement the comprehensive action plan on household</p>	<p>The platforms under the new insolvency framework start gradually bearing results, particularly with respect to out-of-court settlements and further improvements are continuously being developed. There has been a steady flow of fully submitted applications to the out-of-court settlement platform, reaching 3 074 as of 24 March 2022, while for 1 708 of these, corresponding to a total debt of €373 million, there was already a proposed settlement by the platform’s algorithm ⁽³⁾. Quite importantly, in 468 cases the creditors’ settlement proposal has been received by the debtors and in 205 cases it has been accepted, with an average debt</p>

⁽³⁾ Out of these 1 708 applications, 967 refer to multilateral restructuring and 666 only refer to bilateral settlements between the debtor and government entities, while 75 were concluded without a restructuring agreement being reached. In 468 cases the creditors’ settlement proposal has been received by the debtors and in 205 cases it has been accepted, with an average debt haircut of around 28%.

Commitment	State of play and next steps
<p>insolvency with the objective to eliminate the backlog of cases, including the process of pending applications.</p> <p>The decision on liquidation or extension of the mandate for the Hellenic Financial Stability Fund will be taken by mid-2022. Greece will continue the relaxation of capital controls in line with the published roadmap.</p>	<p>haircut of around 28%. To further facilitate the submission of applications, the authorities have set up since 24 February 2022 a helpdesk, while similar initiatives are also undertaken by the systemic banks to support their clients. The authorities are in the process of identifying and assessing areas of potential improvements, either of a technical or a legal nature, and are preparing an initial report in May 2022. With regards to the second chance platform (i.e. the insolvency proceedings platform), there has been a significant (60%) increase in the number of active applications, while the applications validated by court have almost tripled. Progress has been more modest in the case of the rehabilitation and the early warning mechanism platforms. Effectiveness of the insolvency framework will be monitored on a continuous basis.</p> <p>The concessionary process for the setup of the sale-and-lease-back entity is expected to be launched in May, after previous delays, and an interim support scheme is being put in place to ensure a smooth transition until the new entity commences operations. Following the appointment of an investment advisor, the authorities are expected to launch the call for the expression of interest in May. It will be followed by a competitive dialogue with pre-selected interested investors, which is expected to start by end-September 2022 and will result in the launch of a call for binding offers in February 2023 and the issuance of the requisite ministerial decisions linked to the operation of the sale-and-lease-back entity. The entire process, including the award of the contract and its ratification in Parliament, is expected to be finalised by June 2023 at the earliest, which will pave the way for the new entity to be established and become operational. In view of the delays with the establishment of the mechanism, an interim scheme was adopted on 28 March 2022 by the Parliament and is expected to be operational shortly. The scheme will</p>

Commitment	State of play and next steps
	<p>provide a subsidy on loans secured by collateral on the primary residence of “certified” vulnerable debtors (under the new insolvency code), who have been declared bankrupt or whose primary residence is about to be auctioned ⁽⁴⁾. The scheme is expected to run until the sale-and-leaseback entity is set up, but no longer than for 15 months. At the end of the interim scheme, the primary residence of the vulnerable debtor who joined the scheme will be obligatorily transferred to the new entity if it is set-up by that time, or the enforcement proceedings will continue from the point at which they were at the time of the suspension.</p> <p>The upward trend in the assignment of new hearing dates for pending household insolvency cases has been maintained since the last report but the number of final court decisions is limited. The validation of household insolvency cases by court secretariats is nearing completion but the pace of assignment of hearing dates for validated cases has not improved, while the number of final court decisions is limited ⁽⁵⁾. In order to accelerate clearance, the authorities have taken relevant actions: In addition to the secondment of 14 judges to courts facing difficulties reported in the 13th enhanced surveillance report, the authorities have adopted a provision allowing for the hearing of cases also by judges serving in another court within the same regional judicial</p>

⁽⁴⁾ The subsidy will be equal to the existing housing benefit allowance, i.e. €70 – 210 per month, depending on the family size. The authorities project the cost of the subsidy to reach €6.3-10.5 million for the entire period, provided there is no further extension of the scheme. This estimate is based on a forecast of 3 000 to 5 000 debtors participating in the scheme and assumes an average subsidy of €140 for a 15-month period, on the basis of the average size of Greek households.

⁽⁵⁾ Ineligible applications are being filtered out in the process, albeit at a smaller volume than initially expected (as of 24 March 2022, 48 305 applications remained active, out of a total of 48 715 that had been filed by the mid-July 2021 deadline). So far, in the limited number of court decisions issued, there is a significant percentage of rejection of petitioners’ applications (1 127 out of 2 519 decisions), entailing the termination of protection from liquidation and the refusal of a restructuring of the debt under the household insolvency framework.

Commitment	State of play and next steps
	<p>division, thus overcoming the limitations to the maximum number of cases that can be heard on the same day. Moreover, the provision foresees that the 85 successful candidates of the latest competition for the hiring of magistrate's court judges, who will be appointed in 2022, will serve the first two months in the Magistrate's Court of Athens to support judges in the trial of household insolvency cases. These measures are expected to notably enhance the case processing capacity of the magistrate's courts all over Greece and ensure that 95% of validated cases receive a hearing date by end-October 2022. Out of these, 70% of cases are expected to be heard by the end of 2022, with final court decisions issued for 25% of the cases that have been heard until end-October. In addition, the authorities stated their intention to introduce by end-May a targeted legal amendment introducing a deadline for the mandatory upload, by court secretariats in the relevant IT platform, of all necessary details of the court decision for each case heard, and, in the case of interlocutory decisions, the new hearing date once set. The authorities committed to progress with the clearance according to the timeline agreed in the action plan, which envisages that 95% of all cases will be heard by April 2023, with final court decisions issued for 80% of them. The remaining 5% of cases will have a hearing date set at the latest by end-2022 and are expected to be heard by June 2023. The full clearance of the backlog, i.e. the issuance of final court decisions for all currently pending cases, is expected by December 2023.</p> <p>The conduct of auctions is continuously gaining traction since their post-pandemic resumption in September 2021. The number of e-auctions scheduled and conducted in the first quarter of 2022 was higher than in the first quarters of the previous four years, a clear sign that the debt enforcement process is gaining traction. In the period from 1 October</p>

Commitment	State of play and next steps
	<p>2021 to 18 March 2022, more than 70% of the 13 695 scheduled auctions were conducted, 20% of which resulted in the transfer of the property. More than a half of them were acquired by third parties, a significant increase in comparison to the past when the majority of auctioned properties ended up in the banks' and servicers' real estate property portfolios. Further improvements could materialise in the future, given that the recently adopted legal enhancements (e.g. automatic reserve price adjustment) only entered into force on 1 January 2022. Effectiveness of e-auctions and unimpeded conduct of enforcement will be monitored on a continuous basis.</p> <p>The work regarding identification of potential enhancements to the e-auctions platform has been completed, with one specific measure adopted now and the rest to be implemented in the context of the recovery and resilience plan. The working group submitted its conclusions to the Ministry of Justice in March 2022. The implementation of the majority of their recommendations will take place in parallel to the measures outlined in Greece's recovery and resilience plan. The measure that has already been adopted was a provision expressly allowing Athenian notaries to conduct auctions in Piraeus.</p> <p>Despite some improvements, the timeline for the clearance of the backlog of called state guarantees has been amended to reflect the accumulated shortfalls and unexpected legal challenges preventing the payment of certain claims. The data for the first quarter of 2022 showed some improvement in the clearance of natural persons' claims, while the clearance of corporate claims decelerated. Moreover, the payments for a significant number of processed claims could not be carried out, due to five different legal impediments, according to the</p>

Commitment	State of play and next steps
	<p>authorities. One of them, which represents 27.4% of the value for the called guarantees on corporate loans, is the lack of legal clarity regarding the treatment of guarantees on loans that were transferred to another legal entity without prior approval by the guarantor. The authorities have committed to assess potential solutions to accelerate clarifying this situation. These factors have rendered the previous 2022 target unattainable. The revised action plan of the authorities therefore postpones the full examination of claims by a quarter, i.e. by the fourth quarter of 2022 for corporate claims and by the third quarter of 2023 for natural persons' claims, while keeping the deadline for the completion of all payments unchanged, i.e. by the second quarter of 2024. The authorities committed to progress according to the timeline and targets of the revised clearance plan and agreed to continue providing monthly updates on the pace of clearance and assess if further corrective actions are needed. The recruitment of additional 35 staff is expected to be completed shortly, which strengthens the credibility of the revised timeline.</p> <p>The authorities have agreed a reform of the Hellenic Financial Stability Fund with the European institutions. The law is expected to be adopted shortly. The duration of the Fund will be extended until the end of 2025 to allow the Fund to fulfil its dual objective of contributing to the stability of the Greek banking system, while effectively disposing of its assets. The reform streamlines the Fund's governance by creating a board of Directors as its sole governing body. It will consist of three executive and six non-executive members. The managing director, will be responsible for preparing and implementing the decisions of the board of directors. In order to incentivise divestment, the law includes a set of principles that will guide the Fund's divestment strategy and requests the</p>

Commitment	State of play and next steps
	Fund to report regularly to the Ministry of Finance on the state of its implementation. Finally, the Fund's special rights have been streamlined. The Fund will be represented by a member in the banks' boards of directors but will exert a veto right only with respect to certain key decisions, namely the distribution of dividends and bonuses for those banks with a non-performing loan ratio exceeding 10% and those corporate actions that may significantly affect the Fund's shareholding.
Financial stability. Related to the above, provide financial training to judges.	Completed.
Financial Stability - Hellenic Financial Stability Fund (HFSF). The HFSF will develop an exit strategy for the sale of its stakes in the systemic banks and the mandate of the Selection Panel of the HFSF shall be aligned with the mandate of the HFSF.	Completed.
Financial Stability - Hellenic Financial Stability Fund (HFSF). Greece will continue the relaxation of capital controls in line with the published roadmap.	Completed.
Justice. In the context of implementing the Three-Year Action Plan on Justice, complete phase I of the establishment of the e-justice system will be completed.	Completed.
Justice In the context of implementing the Three-Year Action Plan on	While the implementation of e-filing in administrative courts incurred last-minute delays, one part of the project is now

Commitment	State of play and next steps
<p>Justice, implement the electronic filing of legal documents throughout the Courts, having completed the tendering procedure.</p> <p>In the context of implementing the Three-Year Action Plan on Justice, complete phase II of the establishment of the e-justice system (OSDDY-PP).</p>	<p>operational and the remaining part of the project is expected to follow by end-June 2022. The operationalization of the interconnection between the administrative courts' IT system and the IT system of the Legal Council of State, originally due in March 2022, was postponed and eventually took effect in April 2022. The platform will enable the filing of initial submissions, memoranda and procedural documents in the context of pending procedures. Regarding the extension of functionality of the e-filing platform in administrative courts, the completion of the contract on 21 February 2022 was expected to be followed by a two-month pilot phase, leading to the full operationalisation by end-April 2022. As reported by the authorities, a two-month extension was requested by the contractor. As a result, the extended functionality was made available for use by legal professionals, in a pilot environment, only in April 2022. Upon completion of the pilot phase and the addressing of potential technical problems, the system is expected to be put into full operation in June 2022.</p> <p>The call for proposals for the projects constituting the second phase of the civil and penal case management system (OSDDY-PP) was launched on 15 March 2022. The tender process is under way, the deadline for the submission of offers having expired on 29 April 2022. According to the authorities, the contract awarding and signature phase is expected to be completed by end-2022. The implementation of the project should start in January 2023 and will benefit from funds under the Recovery and Resilience Facility.</p> <p>Regarding the extension of the functionality to all courts across Greece of the e-docket platform, the project is advancing on schedule. The relevant contract was signed on 21 March 2022, with completion</p>


Commitment	State of play and next steps
	stipulated within 22 months from signature.
<p>Labour market. Greece will safeguard competitiveness through an annual update of the minimum wage in line with the provisions of Law 4172/2013.</p>	<p>Following the 2% increase in the level of the gross statutory minimum wage on 1 January 2022, a second increase of 7.5% took place on 1 May 2022 in response to the persistent commodity price hikes. The public consultation process for the latter increase took place between January and April 2022 and involved research, scientific and social partners, and independent experts. On 21 April, the Minister Labour and Social Affairs adopted a Decision setting out the new gross statutory minimum wage level to apply on 1May, in line with amended Law 4172/2013. The new level of the gross statutory minimum wage brings the minimum wage up from €663 on 1 January 2022 to €713 on 1 May 2022 (when calculated on a 14-month basis) or €831.8 (when calculated on a 12-month basis). Implementation of the legislative framework will be monitored on a continuous basis.</p>
<p>Labour market. Implement action plan on undeclared work.</p>	Completed.
<p>Investment licensing. Deploy the relevant ICT.</p>	Completed.
<p>Investment licensing. Adopt all enabling licensing legislation.</p>	Completed.
<p>Investment licensing. Revise the nuisance classification.</p>	Completed.

Commitment	State of play and next steps
<p>Investment licensing. Greece will finalise inspection legislation.</p>	<p>The authorities have completed the commitment to finalise the inspection legislation. Secondary legislation for the inspection reform in the last remaining area of environmental protection was adopted on 21 February 2022, i.e. shortly after the closure of the 13th enhanced surveillance report but ahead of the March 2022 Eurogroup. The issued legislation allowed the activation of the enforcement management model, marking the completion of the environmental inspections reform and the broader investment licencing commitment.</p>
<p>Investment licensing. Greece will finalise the simplification of investment licensing procedures in the agreed remaining sectors.</p>	<p>Completed.</p>
<p>Cadastral. Greece will fully establish the cadastral agency and complete 45% of cadastral mapping, with a view to ratifying the complete cadastral mapping and forest maps.</p>	<p>The cadastral mapping and the full establishment of the Hellenic Cadastre continued to progress in the past three months. In April, the collection of property rights reached 85% of the total property rights. Out of these, 35% are in operation and 22.3% are in public display, which means that 57.3% of the country's total property rights are at the stage of public consultation or at a later stage. Due to the legislative changes in the forest maps displayed here below, this figure is expected to reach 65% of total property rights by end-September 2022. This is somewhat below than the 71% under the previous plan.</p> <p>A new legislative amendment affecting forest maps was adopted in March 2022. With this amendment, afforested fields that were previously cultivated and subsequently abandoned are no longer considered as forest land. Afforested fields cover 5.2% of the country's area (6 900 km²) and are usually areas between forests and agricultural land. This change</p>

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	<p>concerns around 1.3 million property rights, which will need to be updated in the cadastre after this law. The cadastral mapping contracts will need to be amended accordingly. All this could result in a delay in the completion of the cadastre compared to the previous planning. While the amendment is solving a long-standing issue that was brought to light with the development of the forest maps, it will require a revision of the existing contracts for cadastral mapping and expose the cadastre reform to a risk of new legal challenges.</p> <p>The authorities have granted a further extension to the period where citizens can raise objections to the remaining forest maps and the ratification of the 50% of forest maps that are still outstanding is delayed to September 2022. The above-mentioned legislative amendment made it necessary to grant an additional time for the citizens to raise objections and the ratification of the forest maps will be completed with a two-month delay compared to what was reported in the 13th enhanced surveillance report. About 50% of the country has ratified maps; another 45% of the maps were uploaded for public consultation in February 2021. According to the revised plan, it is expected that by September 2022, 95% of the forest maps would be ratified. The ratification of the forest maps is necessary for the completion of the cadastral mapping. In order to avoid further delays to the completion of the ratification of forest maps and the completion of the cadastral mapping, the authorities are planning to adopt a legal provision allowing for the withdrawal of public ownership in the above mentioned 5% Greek land area.</p> <p>Regarding the transition to the new entity, 10 cadastral offices (out of 17) and 46 branches (out of 75) are now open and the corresponding</p>

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	<p>mortgage offices have been closed. This is one cadastral office and eight branches more compared to what was been reported in the previous report. Opening of new offices has now slowed down due to lack of managerial staff. Recruitment of 27 specialists for the positions of Heads of Cadastral offices through the High Council for Selection of Staff (ASEP) is underway, but the time of their recruitment will affect the completion of the transition. The offers for the digitalization of the mortgage offices are being evaluated and the first lot is expected to be awarded by end-May 2022.</p> <p>The authorities are expected to keep the revised timeline with a view to completing this reform including the full operationalisation of property rights and the full functioning of the new Hellenic Cadastre Agency by December 2022.</p>
<p>Energy. Completion of lignite divestiture.</p>	<p>Completed.</p>
<p>Energy. Launch the Target Model.</p>	<p>Completed.</p>
<p>Energy. With a view to completing reforms in the energy sector, implement the measures agreed as part of the joint assessment on the NOME auction system.</p>	<p>Completed.</p>
<p>(* Hellenic Corporation of Assets and Participations (HCAP). The Strategic Plan of HCAP will be implemented on a continuous</p>	<p>The implementation of the Strategic Plan by the Corporation has started. Following the approval of the Strategic Plan of the Corporation</p>

Commitment	State of play and next steps
basis.	<p>in January 2022, the projects included in it have begun to be implemented as planned. However, uncertainty as to the Corporation’s dividend revenue path has led to an adjustment of the budget of the Corporation and cost containment measures. The planned horizontal asset valuation, a key part of the Strategic Plan, which aims to give a reliable market valuation of the whole portfolio, will therefore be scaled back. Rather than the full valuation that was scheduled for launch in July, the Corporation will instead undertake a pilot during the second half of 2022. While the Corporation considers that this exercise will still provide information that will assist it in establishing a baseline valuation for the portfolio and in prioritising projects for management attention, a thorough valuation would be important for robust performance measurement.</p> <p>To track progress on implementation, the Plan contains three high-level metrics on financial, social and environmental dimensions. An update on financial performance will be available in September 2022. A baseline for a “Social Trust” metric is currently under preparation. An environmental metric will be developed under a project to be launched by end-May.</p> <p>As part of its core mandate, the Corporation continues its work on a new cycle of review (and replacement, if needed) of the boards of the state-owned enterprises in its portfolio, as their terms of office expire. The Board of the Corporation has proceeded to the appointment of new members in the Board of the Public Real Estate Company (ETAD) in March 2022 and the appointment of a new chair of the Audit Committee in the Hellenic Republic Asset Development Fund (TAIPED) in January 2022.</p> <p>The Corporation and the authorities continue assessing the decision</p>

Commitment	State of play and next steps
	<p>of the Council of State decision relating to the Corporation’s ownership of the majority stakes in the water utilities of Athens and Thessaloniki and the effect on the Corporation, with a view to resolving the issues raised.</p> <p>The Corporation is working on the finalisation of the Technical Supplement to its Investment Policy, which is expected to be finalised by end-May. The completion of the Technical Supplement will enable the Corporation to begin deploying its investable reserves in accordance with the Investment Policy, which is an important complement to its primary role of creating value from its portfolio of state-owned enterprises and real estate assets.</p> <p>Following the finalisation and signing of the performance contract for the Athens Urban Transport Organisation (OASA), the joint ministerial decision that allows the payment on the agreed public service obligation on a monthly basis was issued on 30 April 2022 (FEK B’ 2135/30.04.2022). The performance contract is intended to set out the financial relationship between the Athens Urban Transport Organisation and the state in clear terms, and link financial transfers by the state to the performance of specific policy objectives. This project is a key element of the Corporation’s Coordination Mechanism.</p> <p>Also in relation to the Coordination Mechanism, the Statements of Commitments of each state-owned enterprise in the Corporation’s portfolio are in the process of being updated, following the approval of the strategic plan. The Statements of Commitments set out key financial, operational and other objectives for the state-owned enterprises and reflect the strategic priorities set out in the strategic plan. They are expected to be finalised by end-May 2022.</p>

Commitment	State of play and next steps
	<p>The authorities prepared the draft legislation for the modernisation of the institutional framework for state-owned enterprises. The authorities have engaged very constructively with the institutions on the framework. The draft legislation is an ambitious reform, which aims at the codification, improvement and modernisation of the current legal framework applicable to the state-owned enterprises inside and outside the Corporation. The draft legislation is divided in two sections: (i) a section on public limited companies in which the state holds at least 50% of the share capital but which are not held by the Corporation, and (ii) a section on the indirect subsidiaries of the Corporation. The draft legislation aspires to significantly strengthen the corporate governance of state-owned enterprises. For instance, all state-owned enterprises covered by the draft legislation will be required to have an Audit Committee and an internal control unit. The responsibilities between the shareholder and the regulatory functions will also be clarified. With respect to the state-owned enterprises in the Corporation’s portfolio, the final legislation is expected to incorporate all the changes identified by the Corporation. The draft was submitted to the General Secretariat for Legal and Parliamentary Matters on 6 May 2022 and it is expected to be enacted by end-June 2022.</p> <p>Efforts to improve the performance of the real estate portfolio continue to fall short in terms of achieving an ambitious yield across the whole portfolio of the Public Real Estate Company. The Public Real Estate Company has continued its efforts to improve the performance of specific assets and has seen some success on those projects. However, progress in delivering systemic improvements across the portfolio as a whole is not apparent, despite various attempts and restructuring initiatives over multiple years. An outline of a</p>

Commitment	State of play and next steps
	<p>comprehensive strategy to achieve an ambitious yield across the Company's total portfolio is expected by end-May 2022.</p> <p>With regard to the transfer of the eligible real estate assets included in the 2018 package to the Public Real Estate Company, there has been some progress. The verification process of the real estate assets belonging to the Ministry of Finance was completed in early May and the subsequent transfer of the eligible assets is expected by end-June 2022. As regards the real estate assets belonging to other ministries, the verification process was launched at the end of March and it is expected to be completed by end-June. The eventual transfer of the eligible real estate assets under the latter cluster is expected by end-October 2022.</p> <p>Implementation of the Strategic Plan of HCAP will be monitored on a continuous basis.</p>
<p>HCAP. Complete the transfer of the Olympic Athletic Centre (OAKA) to HCAP.</p>	<p>The authorities have advanced with preparatory actions for the development of a detailed feasibility study (including a business plan) for the Olympic Athletic Centre, with a relevant tender scheduled to be launched in June 2022. The feasibility study will be based on the guidelines of the consultants' strategic action plan, which was finalised on 13 May 2022, and will assess issues such as market depth in order to evaluate the financial feasibility of the various uses under consideration. The respective tender expected to be launched in June 2022 and the detailed feasibility study is expected to be completed in May 2023. A key objective of the overall approach for the Olympic Athletic Centre will be to ensure that it can generate enough revenue to ensure the financial sustainability of a high quality civic facility over the long term, covering not just maintenance, but expected improvements and capital investments.</p>

Commitment	State of play and next steps
<p>HCAP.</p> <p>Completion of the restructuring of ETAD and review/ replacement of all SOE boards.</p>	<p>Completed.</p>
<p>Privatisation.</p> <p>The Asset Development Plan will be implemented on a continuous basis.</p> <p>With a view to swiftly attracting investment to support a sustained economic recovery, complete the transactions on HELPE, Egnatia, DEPA commercial, regional ports of Alexandroupolis and Kavala, AIA shares, EYDAP and EYATH.</p> <p>Complete the transactions on the regional ports Igoumenitsa and Kerkyra, PPC, DEPA infrastructure and Kavala underground storage.</p> <p>By mid-2022, complete the transactions on a number of other regional ports, based on the recommendations of the consultants of TAIPED.</p>	<p>The updated Asset Development Plan, which constitutes the privatisation programme and lays down the next steps for the transactions included in it, was approved by the Board of the Hellenic Republic Asset Development Fund and endorsed by the Government Council for Economic Policy on 5 May 2022. Progress with specific transactions since the last report has been as follows:</p> <p>Egnatia: The construction works on four additional toll stations (3 lateral and one frontal) have continued but at a slow pace. In line with the updated timetable submitted in the context of the 14th enhanced surveillance report, the authorities issued the required Joint Ministerial Decision on 13 May 2022, according to which these toll stations will start operating within July 2022. The launch of the construction in the last two lateral toll stations and the finalisation of the construction works in Chalastra is nevertheless still outstanding, but all of which will need to be completed by end-2022 in order to avoid financial sanctions for the state. In total, 17 out of 18 frontal toll stations and 31 out of 40 lateral toll stations are currently operational. With regard to the licensing of the remaining 16 tunnels under category E (i.e. excluding the transport of dangerous cargo), individual studies for each tunnel will be required that will identify what is additionally needed to be done. The tender process to select the technical advisor for those studies has been launched by the Fund in early May 2022, with a view to expediting the process and have the studies completed the soonest possible. The licensing of the tunnels is</p>

Commitment	State of play and next steps
	<p>also expected to be completed by end-2022, to allow for the already agreed concession agreement to enter into force.</p> <p>Regional port of Alexandroupolis: The resolution of the pending issue on the expropriation process of the private properties in the land zone area of the port of Alexandroupolis is in progress and a “reasonable” compensation for the expropriation has been judicially determined. The competent Ministries of Finance and Shipping have decided on the next steps as regards the necessary budgetary resources to be made available for the expropriation. The submission of binding offers is scheduled for June 2022. The selection of the preferred investor is expected by end-July and the financial closing by end-December 2022.</p> <p>Regional port of Kavala: One binding offer was submitted on 28 February, and the selection of the preferred bidder took place on 6 May 2022. Financial closing is expected by end-December 2022.</p> <p>Regional port of Igoumenitsa: The updated documents (Sale and Purchase Agreement, Shareholders’ Agreement and Concession Agreement) were uploaded on the virtual data room on 18 April 2022. The pending issue on the determination of the land zone of Igoumenitsa port has been fully resolved as it is clearly specified in the concession agreement, and thus the tender process can proceed. The submission of binding offers and the selection of the preferred investor is expected in the third quarter of 2022. Financial closing is expected by the end of 2022.</p> <p>Regional port of Heraklion: The completion of the assessment of the Investors Expressions of Interest and the short listing of the prequalified parties for the binding offers phase was completed on 7 April, thus launching the binding offers phase for the transaction. The submission of</p>

Commitment	State of play and next steps
	<p>binding offers is scheduled by end-October 2022.</p> <p>Public Gas Corporation (DEPA) Infrastructure: Public Gas Corporation (DEPA) Infrastructure: The Hellenic Competition Commission provided its approval for the preferred investor on 15 March. The certification of the preferred investor by the Regulatory Authority for Energy is expected by end-May. The financial closing of the transaction is expected by mid-June 2022 for a financial offer of €733 million (this corresponds to €476 million for the 65% stake held by the Fund).</p> <p>Public Gas Corporation (DEPA) Commercial: Pending clarity on the outcome of a pending legal case, whereby the final decision is expected to be issued first in 2-3 years, the current tender cannot proceed. Hence, the Fund is considering other transaction structures.</p> <p>Underground Natural Gas Storage (UGS) South Kavala: The first draft Concession Agreement is expected to be shared with Prequalified Investors by end-May 2022. The open issue on tariff setting framework is expected to be resolved via the issuance of the decision of the Regulatory Authority for Energy by end-May 2022. The decision was under public consultation till 11 April. The submission of binding offers is expected by end-July and the selection of the preferred investor by end-October 2022, subject to the timely issuance of the tariff setting framework by the Regulatory Authority for Energy.</p> <p>Gournes Heraklion: The development of Gournes is described by many as a smaller Hellinikon project. The transaction concerns the development of part of the former U.S. base in Gournes, in Heraklion on Crete, Following the nomination of the preferred investor, for a financial offer of €42.2 million, the file of the tender process has been submitted to the Hellenic Court of Auditors on 2 March 2022 for pre-contractual review.</p>

Commitment	State of play and next steps
	<p>The financial closing is expected in the fourth quarter of 2022.</p> <p>Attiki Odos: Attiki Odos is a modern motorway extending along 70 km. It constitutes the ring road of the greater metropolitan area of Athens and the backbone of the road network of the whole Attica prefecture. The Fund is conducting an international public tender for the award of a concession agreement for the operation and maintenance of the Attiki Odos for a period of 25 years. Eight interested parties submitted their expression of interest on 5 May 2022. The completion of the assessment of the Investors Expressions of Interest and the short listing of the prequalified parties for the binding offers phase is expected to be concluded by end-June 2022, thus allowing the launch of the binding offers phase for the transaction in July. The submission of binding offers is scheduled for the end of 2022.</p> <p>As reported in the previous reports, some transactions had to be delayed following a significant fall in the assets' capitalisation value or the impact of the pandemic on the level of economic activity. This applies to the Hellenic Petroleum and the sale of 30% of Athens International Airport.</p> <p>Implementation of the Asset Development Plan will be monitored on a continuous basis (see Annex).</p>
<p>Privatisation.</p> <p>With a view to swiftly attracting investment to support a sustained economic recovery, complete the transactions on the AIA concession, Hellinikon, DESFA, Marina of Alimos.</p>	<p>Completed.</p>

Commitment	State of play and next steps
<p>Public administration.</p> <p>Complete the integrated HR Management System (digital organigram for all public entities and link with single payment authority).</p>	<p>Completed.</p>
<p>Public Administration.</p> <p>Complete reforms to modernise human resource management in the public sector, and in particular the appointment of Administrative Secretaries and all Directors General according to law 4369/2016.</p>	<p>Completed.</p>
<p>Public administration.</p> <p>Independent assessment of the appointment process for senior management, including follow up measures</p>	<p>Completed.</p>
<p>Public administration. Complete the 3rd cycle of mobility and performance assessments.</p>	<p>Completed.</p>
<p>Legal codification.</p> <p>In view of enhancing legal certainty and access to law through legal codification, adopt the Labour Law Code and Code of Labour Regulatory Provisions.</p>	<p>While the codification process has started, the adoption of the consolidated Labour Law Code and Code of Labour Regulatory Provisions has been postponed to October 2022 due to a recent significant reform of the Public Employment Service, which will need to be included in the codification process. Work by the Ministry of Labour and Social Affairs on the codification of labour legislation continues in close collaboration with the Central Codification Committee. However, due to a recently adopted law improving the functioning of the labour market (law 4921/2022 on the public employment service reform and on active and passive labour market policies), the previous timetable</p>

Commitment	State of play and next steps
	for the completion of the codification process has been adjusted accordingly. The Ministry of Labour and Social Affairs delivered the first draft to the Secretariat General for Legal and Parliamentary Affairs for review on 3 May. The draft codified legislation will be presented by June. The Central Codification Committee will proceed with the review of the codified legislation as a priority. The adoption of the codified texts will follow by October 2022.
<p>Legal codification. Complete the National Gateway for Codification and Reform of Greek Legislation.</p>	<p>Completed.</p>
<p>Fight against corruption. Implement all recommendations addressed by the Group of States against Corruption (GRECO).</p>	<p>The authorities have put in place significant measures to implement the remaining recommendations from the fourth evaluation round of the Group of States against Corruption (GRECO), and the commitment can be considered as satisfactorily completed.</p> <ol style="list-style-type: none"> 1. Recommendation to enhance the selection of senior judges and prosecutors, and disciplinary proceedings: The new Code on the Organisation of Justice and the Status of Judges of the courts that was submitted to the General Secretariat for Legal and Parliamentary Affairs on 13 May 2022 and is to be tabled to Parliament shortly thereafter, tightens the rules, within the current constitutional framework, for promotion of judges and prosecutors to senior positions. Particularly, the new code provides that certain senior positions of the three supreme courts will be fulfilled from a list including the most senior judicial officers who have the formal qualifications for these positions. 2. Recommendation on providing guarantees against delays and

Commitment	State of play and next steps
	<p>improving caseload management: Specific measures to address this recommendation have been implemented including: (i) The above-mentioned Code on the Organisation of Justice and the Status of Judges contains provisions that aim at strengthening procedural guarantees against delays, and the role of judges and prosecutors as regards caseload management. In this respect, the code introduces provisions on the evaluation and disciplinary actions against judges, as well as on channels for complaints. (ii) The Mediation Law that entered into force in November 2019, which facilitated mandatory mediation under certain conditions in civil, commercial and family cases, before such cases are processed in court. A similar procedure is followed in criminal cases according to the Criminal Procedure Code that was adopted in November 2019, which introduces the option for an agreement between the prosecution and the defendant, to minimise the number of cases that require court hearing. (iii) Improvements to the Code of Civil Procedure effected in January 2022 to simplify, digitalise and accelerate trial proceedings and to enhance legal certainty. (iv) The implementation of IT case management systems and the establishment of JustStat unit for judicial data collection. Further, additional upcoming initiatives are expected to assist in accelerating justice, such as the provision of training to judges and judicial clerks, the establishment of judicial police, and the review of the judicial map.</p> <p>3. Recommendation on setting clear standards of professional conduct and integrity: The Council of State published in March 2022 an ethics charter for administrative judges, while an ethics charter for the Court of Audit judges has already been adopted since November 2020. In addition, a working group will be drafting a code of conduct for judges and</p>

Commitment	State of play and next steps
	<p>prosecutors of the civil and criminal courts.</p> <p>GRECO will continue monitoring remaining parts of certain recommendations, and has asked the authorities to submit additional relevant information in the course of 2023.</p>

Complementary commitments undertaken by Greek authorities in May 2020

Complementary commitment	State of play and next steps
<p>Justice.</p> <p>Enact the new Code of Judicial Staff and present a timetable for the adoption of the New Code for the Organization of Justice and the Status of Officers of the Courts.</p>	<p>The new Code on the Organization of Justice and the Status of Judges is expected to be tabled to Parliament by end-May 2022. The authorities have started the adoption process for the code on 13 May 2022 by submitting the draft code to the General Secretariat for Legal and Parliamentary Affairs. The adoption of the code by the Parliament will follow shortly, completing the reform. The code is expected to enter into force upon publication in the Official Journal, with the notable exception of the section on evaluation matters, which is set to enter into force at the beginning of the new judicial year in mid-September 2022 so as not to disrupt pending proceedings.</p>
<p>Justice.</p> <p>Present an action plan for the creation of a specialized ‘JustStat’ unit for data collection and processing to measure and improve the performance of the judicial system and introduce the relevant legislation.</p>	<p>The presidential decree on the establishment, organization and operation of the Office for the Collection and Processing of Judicial Statistics (JustStat) will be adopted with an eleven-month delay by end-May 2022, which will complete the reform. The authorities are in the process of appointing the members of the supervisory committee, which is expected to come to order by end-June 2022. The JustStat department will operate at the central level as a department of the Ministry</p>

Complementary commitment	State of play and next steps
	<p>of Justice and will systematically collect, aggregate, process and publish judicial data from the courts and prosecutor's offices of Greece; it will also safeguard and improve on a permanent basis the quality of judicial statistics.</p>
<p>Public administration.</p> <p>Strengthen the hiring control of the public sector through setting an annual ceiling of temporary staff.</p>	<p>A needs assessment of permanent and temporary teachers has been prepared by the Ministry of Interior and is expected to feed into the hiring plan for 2022 and beyond. The needs assessment was carried out by the Ministry of Interior and is currently under review by the Ministry of Education and Religious Affairs and is expected to be finalised by end-May 2022. The needs assessment is expected to improve the predictability of the needs for permanent and temporary teachers, including special needs teachers, in the short and medium-term. The findings of this needs assessment is expected to be reflected in the annual hiring plans for permanent staff going forward. Further, all temporary teachers will fall under the overall ceiling for temporary staff, which is being applied as of 2022 and will see an overall reduction by, at least, 10% compared to 2021.</p> <p>Legal provisions to address a number of identified deviations from the unified wage grid have been prepared and a new methodology for granting allowances for hazardous and arduous jobs is planned to be in place by August 2022. First, following the preparation of a comprehensive list of deviations from the unified wage grid, which listed 160 legal amendments adopted since 2015, draft legal provisions are expected to be adopted by end-May 2022. These draft provisions address some of the identified deviations, such as remuneration for management posts and travel expenses, and aim to ensure consistent application of the unified wage grid across the public administration. Second, following the</p>

Complementary commitment	State of play and next steps
	<p>public consultation where social partners provided comments, the new methodology for hazardous and arduous work allowance was updated. Secondary legislation is planned to be in place by June 2022 with the new methodology being implemented as of August 2022. The completion of these two work streams would mark concrete progress in relation to the authorities' commitment to strengthen central control of hiring and salary provisions.</p> <p>A law adopted in March 2022 on the management for the National Strategic Reference Framework (2021-2027) included temporary provisions on the appointment of managers, which are not fully consistent with the procedure that is currently applied in the public administration. The authorities clarified that any appointment made using these temporary provisions will only be valid until the completion of the regular appointment process, which is expected to be launched in June 2022 and completed by mid-2023. A Ministerial Decision that will specify the temporary provisions has been prepared and is expected to be adopted shortly; it includes the establishment of a selection committee, which is chaired by a member of the Supreme Council for Civil Personnel Selection.</p> <p>The appointment process to select a Permanent Secretary at the Ministry of Education and Religious Affairs has been launched and is expected to be completed by July 2022. Following extended discussions, a legal amendment was adopted, which was aligned with the principles of the Executive State Law that established the Permanent Secretary post. This allowed the appointment process for a Permanent Secretary at the Ministry of Education and Religious Affairs to be launched by the Supreme Council for Civil Personnel Selection (ASEP), which oversees</p>

Complementary commitment	State of play and next steps
	this appointment process.
<p>Management of public real estate.</p> <p>Draw up a holistic and coherent strategy aiming to optimize the protection, management and investment-oriented exploitation of public real estate, including all organizations involved with public real estate management, without prejudice to their mandates.</p>	<p>The Hellenic Corporation of Assets and Participations proceeded on 15 April to selecting the consultant that will work on the study for the elaboration of a holistic and coherent real estate strategy. The work started thereafter, with the draft strategy expected by end-June 2022 and the final strategy by mid-August 2022.</p>
<p>Public procurement.</p> <p>Adopt a new public procurement strategy for 2021-2025 by end 2020.</p>	<p>The authorities adopted the final piece of secondary legislation critical for the implementation of the public procurement law, therefore successfully completing this commitment. The legislation concerns the set-up of a new legal entity, the “Pricing and Specifications of Construction Works and Design Services Company (PRLSPE.CO.)”, which will develop and maintain a new integrated system for technical specifications and costing of technical works. The legislation specifies the objectives and operational aspects of the new system, notably the price observatory and the common technical specifications system, as well as the organisational and managerial arrangements for the new entity, including its responsibilities, funding, and management bodies.</p>
<p>Education.</p> <p>Enhance the autonomy of higher education by strengthening the accountability and transparency framework and through the introduction of the University Councils.</p>	<p>The authorities have prepared and submitted to the Council of Ministers a bill on higher education, which enhances the organizational and educational autonomy, flexibility and efficiency of higher education institutions, delegates some decision-making authority from the Ministry to the universities and streamlines their governance. The governance of higher education institutions will be overhauled with the introduction of university councils to supervise the universities. This is coupled with new instruments such as multi-annual</p>

Complementary commitment	State of play and next steps
	<p>strategic planning, programmatic agreements with the Ministry of Education, digital transformation and the link of the operation of universities with the sustainable development goals. The universities will be able to found degrees without the involvement of the Ministry of Education, after certification by the independent certification agency. The bill allows universities to grant joint-degrees in cooperation with faculties from other local and foreign institutions with the objective to better align the offered degrees to the needs of the labour market. The creation of master degrees is facilitated and executive master degrees conducted in cooperation with the industry are introduced. The bill is expected to be tabled into Parliament in June 2022.</p>