

# MEASURES BY FIELD

## A. FISCAL MEASURES

| No.   | Measures   | Time frame (end) | Authority      | Fiscal Outcome<br>Target                                      | Status of implementation  | Notes                  |
|---|--|------------------|----------------|---|---|------------------------|
| <b>Fiscal Consolidation</b>   |  |                  |                |   |   |                        |
| 1   | Increase in VAT rates  | Q2 2010          | MinFin         | EUR 800 million in 2010 and EUR 1800 million for a full year  | Completed. Law 3845/2010 (FEK 65 A')  |                        |
| 2   | Increase in excise tax on fuel, tobacco and alcohol  | Q2 2010          | MinFin         | EUR 450 million in 2010 and EUR 1050 million for a full year  | Completed. Law 3845/2010 (FEK 65 A') - applicable from 3 May  |                        |
| 3   | Reduction in the public wage bill by reducing the Easter, summer and Christmas bonuses and allowances paid to civil servants   | Q2 2010          | MinFin         | EUR 1100 million in 2010 and EUR 1500 million for a full year | Completed. Law 3847/2010 (FEK 67 A')  |                        |
| 4   | Elimination of the Easter, summer and Christmas bonuses paid to pensioners, while protecting those receiving lower pensions  | Q2 2010          | MinFin/MinLab  | EUR 1500 million in 2010 and EUR 1900 million for a full year | Completed. Law 3847/2010 (FEK 67 A')  |                        |
| 5   | Cancel budgetary appropriations in the contingency reserve   | Q2 2010          | MinFin         | EUR 700 million   | Pending Ministerial Decision  |                        |
| 6   | Reduce the highest pensions  | Q2 2010          | MinFin/MinLab  | EUR 350 million in 2010 and EUR 500 million for a full year   | Private sector: included in the pension reform law. Public sector: included in the draft law on public sector pensions. |                        |
| 7   | Abolish most of the budgetary appropriation for the solidarity allowance -except a part for poverty relief   | Q2 2010          | MinFin         | EUR 400 million   | Completed. Law 3845/2010 (FEK 65 A')  |                        |
| 8   | Reduce public investment by EUR 500 million  | Q2 2010          | MinFin/MinEcon | EUR 500 million   |   |                        |
| 9   | Parliament adopts a Law introducing a progressive tax scale for all sources of income and a horizontally unified treatment of income generated from labour and assets  | Q2 2010          | MinFin         | EUR 1100 million from both measures                           | Completed. Law 3842 FEK 58A'/23.4.2010  | <i>also in the SGP</i> |
| 10  | Parliament adopts a Law abrogating exemptions and autonomous taxation provisions in the tax system, including income from special allowances paid to civil servants  | Q2 2010          | MinFin         |   | Completed. Law 3842 FEK 58A'/23.4.2010  | <i>also in the SGP</i> |
| <b>Include the following measures in the draft budget for 2011:</b> |  |                  |                |   |   |                        |
| 11  | - Implement the rule of replacing only 20 percent of retiring employees in the public sector (central government, municipalities, public companies, local governments, state agencies and other public institutions)                               | Q3-2010          | MinFin/MinInt  |   | Ongoing implementation. Law 3833/2010 FEK 40A'/15.03.2010   | <i>also in the SGP</i> |
| 12  | - Reduction in intermediate consumption of the general government by at least EUR 300 million compared to the 2010 level, on top of savings envisaged in the context of reforming public administration and the reorganisation of local government | Q3-2010          | MinFin/MinInt  | EUR 300 million   |   |                        |

| No. | Measures   | Time frame (end) | Authority              | Fiscal Outcome  | Status of implementation | Notes                  |  |
|-----|--|------------------|------------------------|---|--------------------------|------------------------|--|
| 13  | - Government starts implementing legislation reforming public administration and the reorganisation of local government with the aim of reducing costs   | Q3-2010          | MinInt                 | EUR 1500 million from 2011 to 2013, of which at least EUR 500 million in 2011 |                          | <i>also in the SGP</i> |  |
| 14  | - Freeze in the indexation of pensions   | Q3-2010          | MinFin/MinLab          | EUR 100 million   |                          |                        |  |
| 15  | - Reduction in domestically-financed investments by EUR 1000 million, by giving priority to investment projects financed by EU structural and cohesion funds   | Q3-2010          | MinFin/MinEcon         | EUR 1000 million  |                          |                        |  |
| 16  | - Temporary "crisis levies" on highly profitable firms   | Q3-2010          | MinFin                 | EUR 600 million per year in 2011, 2012 and 2013                               |                          |                        |  |
| 17  | - Incentives to regularise land-use violations   | Q3-2010          | MinEnv/MinFin          | EUR 1500 million from 2011 to 2013, of which at least EUR 500 million in 2011 |                          |                        |  |
| 18  | - Enforce the presumptive taxation of professionals  | Q3-2010          | MinFin                 | EUR 400 million in 2011 and increasing returns in 2012 and 2013               |                          |                        |  |
| 19  | - Broaden the VAT base by including services that are currently exempted and move a significant proportion (at least 30%) of the goods and services currently subject to the reduced rate to the normal rate   | Q3-2010          | MinFin                 | EUR 1000 million  |                          |                        |  |
| 20  | - Start phasing in a "green tax" on CO2 emissions  | Q3-2010          | MinEnv                 | EUR 300 million in 2011   |                          |                        |  |
| 21  | - Collect revenue from game licencing and royalties  | Q3-2010          | MinFin                 | EUR 500 million and EUR 200 million respectively                              |                          |                        |  |
| 22  | - Expand the base of the real estate tax by updating asset values  | Q3-2010          | MinFin                 | EUR 500 million   |                          |                        |  |
| 23  | - Increase taxation of wages in kind, including by taxing car lease payments   | Q3-2010          | MinFin                 | EUR 150 million   |                          |                        |  |
| 24  | - Initiate the collection of a special tax on unauthorised establishments  | Q3-2010          | MinFin                 | EUR 800 million per year  |                          |                        |  |
| 25  | - Increase taxes on luxury goods   | Q3-2010          | MinFin                 | EUR 100 million   |                          |                        |  |
| 26  | - The budget will establish detailed expenditure ceilings for each line-ministry, local governments, and social security funds consistent with the general government deficit target. This also pertains to the medium-term fiscal framework for 2012-2013 | Q3-2010          | MinFin/line Ministries |   |                          |                        |  |
| 27  | - The budget will contain indicative information on monthly revenue per category, and expenditure per Ministry. Updated figures will be regularly made available online.   | Q3-2010          | MinFin/line Ministries |   |                          |                        |  |

| No. | Measures  | Time frame (end) | Authority              | Fiscal Outcome  | Status of implementation                           | Notes                  |  |
|-----|---|------------------|------------------------|---|--|------------------------|--|
| 28  | - Parliament adopts modifications to the organic budget law, if necessary, to ensure that the draft budget law for 2011 onwards contains detailed information on outturn and plans of the entire general government sector – including local government, social security, hospitals and legal entities. | Q3-2010          | MinFin                 |   |  |                        |  |
| 29  | - An annex to the budget will present key figures on the financial performance of the largest public enterprises, concomitant budgetary and tax expenditures, and related fiscal risks.   | Q3-2010          | MinFin/line Ministries |   |  |                        |  |
| 30  | Government prepares a privatization plan for the divestment of state assets and enterprises with the aim to raise at least EUR 1 billion a year during the period 2011-2013.  | Q4-2010          | MinFin/line Ministries | EUR 1 billion a year during the period 2011-2013                  | Privatization plan approved by Ministerial Council |                        |  |
|     | <b>Include the following measures in the draft budget for 2012:</b>   |                  |                        |   |  |                        |  |
| 31  | - Reduce public employment on top of the rule of 1 recruitment for each 5 retirements in the public sector  | Q3-2011          | MinFin/MinInt          | EUR 600 million   |  |                        |  |
| 32  | - Establish excises for non alcoholic beverages   | Q3-2011          | MinFin                 | EUR 300 million   |  |                        |  |
| 33  | - Continue the expansion of the base of the real estate tax by updating asset values  | Q3-2011          | MinFin                 | EUR 200 million   |  |                        |  |
| 34  | - Continue the reorganisation of local government   | Q3-2011          | MinInt                 | EUR 500 million   |  | <i>also in the SGP</i> |  |
| 35  | - Nominal freeze in pensions  | Q3-2011          | MinFin/MinLab          |   |  |                        |  |
| 36  | - Continue to increase the effectiveness of the presumptive taxation of professionals   | Q3-2011          | MinFin                 | EUR 100 million   |  |                        |  |
| 37  | - Reduction of transfers to public enterprises following their restructuring  | Q3-2011          | MinFin/Line Ministries | EUR 800 million   |  |                        |  |
| 38  | - Make unemployment benefits means-tested   | Q3-2011          | MinLab                 | EUR 500 million   |  |                        |  |
| 39  | - Collect further revenue from the licensing of gaming  | Q3-2011          | MinFin                 | EUR 225 million from licencing and EUR 400 million from royalties |  |                        |  |
| 40  | - Further broadening of VAT base, by moving goods and services from the reduced to the normal rate  | Q3-2011          | MinFin                 | EUR 300 million   |  |                        |  |

| <b>MEASURES BY FIELD</b>                           |  |                         |                  |   |   |
|--|--|-------------------------|------------------|---|---|
| <b>B. FINANCIAL MEASURES</b>                       |  |                         |                  |   |   |
| <b>No</b>  | <b>Measures</b>  | <b>Time frame (end)</b> | <b>Authority</b> | <b>Status of implementation</b>   | <b>Notes</b>  |
| <b>Financial sector regulation and supervision</b> |  |                         |                  |   |   |
| 1  | Establish the independent Financial Stability Fund (FSF) to preserve financial sector's soundness and thus its capacity to support the Greek economy | Q2 2010                 | MinFin/BoG       | Draft law being prepared  |   |
| 2  | The BoG should start implementation of intensified supervision of banks  | Q2 2010                 | BoG              |   |   |
| 3  | The BoG should take-over insurance supervision   | Q2 2010                 | BoG              | Law by MinFin to abolish PISC. It will be submitted to Parliament next week | <i>The supervision of insurance companies will start in September</i> |
| 4  | The BoG should perform frequent reporting under tighter deadlines and quarterly solvency stress tests  | Q2 2010                 | BoG              |   |   |
| 5  | Review the private sector bankruptcy law to ensure consistency with ECB observations.  | Q2 2010                 | MinEcon          |   |   |
| 6  | Ensure that the Financial Stability Fund is fully operational  | Q3-2010                 | MinFin/BoG       |   |   |
| 7  | Review the adequacy of the insolvency framework, for banks as well as for non-financial entities   | Q3-2010                 | MinFin/BoG       |   |   |

**MEASURES BY FIELD**  
**C. STRUCTURAL MEASURES**

| No  | Measures  | Time frame (end) | Authority | Status of implementation   | Notes                  |
|---|---|------------------|-----------|--|------------------------|
| <b>Structural Fiscal Reforms</b>  |   |                  |           |  |                        |
| <b>Publication of statistics:</b>   |   |                  |           |  |                        |
| 1   | Adopt law that requires monthly publication by GAO of timely monthly statistics (on a cash basis) on revenue, expenditure and financing for the State, as well as on spending pending of payment, including arrears   | Q2 2010          | MinFin    | Included in the draft bill on Fiscal management and responsibility |                        |
| 2   | Appoint staff team and leader in GAO responsible for general government in-year cash reporting  | Q2 2010          | MinFin    | Team already in place  |                        |
| <b>Improves credibility of the budget and fiscal consolidation program:</b> |   |                  |           |  |                        |
| 3   | Submit to parliament amendments to Law 2362/1995 to (i) require the MoF to present a three-year fiscal and budget strategy, (ii) introduce top-down budgeting with expenditure ceilings for the State budget and multi-year expenditure estimates by line ministry, (iii) introduce standard contingency margins, (iv) require a supplementary budget for any overspending above the contingency, (v) and introduce commitment controls. The amended law should be immediately effective, including in the context of the 2011 budget.  | Q2 2010          | MinFin    | Included in the draft bill on Fiscal management and responsibility |                        |
| <b>Increases transparency of fiscal risks to fiscal sustainability:</b>     |   |                  |           |  |                        |
| 4   | Establish a commitment register in all line ministries and public law entities. Begin publishing monthly data on general government in-year fiscal developments (including arrears).  | Q3 2010          | MinFin    |  |                        |
| <b>Efficiency of the tax administration and controls:</b>                   |   |                  |           |  |                        |
| 5   | Adopt legislation to improve the efficiency of the tax administration and controls, implementing recommendations provided by the European Commission and IMF. In particular, they put in place an effective project management arrangement (including tight MOF oversight and taskforces) to implement the anti-evasion plan to restore tax discipline through: strengthened collection enforcement and recovery of tax arrears (coordinated with the social security funds) of the largest debtors; a reorganized large taxpayer unit focused on the compliance of the largest revenue contributors; a strong audit program to defeat pervasive evasion by high-wealth individuals and high income self-employed, including prosecution of the worst offenders and a strengthened filing | Q3 2010          | MinFin    |  | <i>also in the SGP</i> |
| <b>Reform of the GAO:</b>   |   |                  |           |  |                        |
| 6   | Strengthening of the role of the GAO in budget planning and control   | Q3 2010          | MinFin    |  |                        |
| 7   | Provision of the necessary resources in terms of high-level personnel, infrastructure and equipment support, managerial organisation and information sharing systems  | Q3 2010          | MinFin    |  |                        |
| 8   | Provision of safeguards for GAO staff against political interference, and personal accountability in the provision of reliable data   | Q3 2010          | MinFin    |  |                        |
| 9   | Strengthen the institutional mechanisms for providing reliable and plausible official budgetary forecasts that take into account available recent execution developments and trends; to this end, the official macroeconomic forecasts should be reviewed by external experts   | Q3 2010          | MinFin    |  |                        |
| <b>Statistics:</b>  |   |                  |           |  |                        |
| 10  | GAO starts, in June 2010, the publication of timely monthly statistics (on a cash basis) on revenue, expenditure and financing and spending arrears for the "available general government" and its sub entities (state, social security, hospitals, local governments and legal entities)   | Q3 2010          | MinFin    |  |                        |

| No | Measures   | Time frame (end) | Authority | Status of implementation  | Notes                  |
|----|--|------------------|-----------|---|------------------------|
| 11 | Adopt a detailed time-bound action plan, to be agreed with Eurostat, to improve collection and processing of general government data required under the existing EU legal framework, in particular by enhancing the mechanisms that ensure the prompt and correct supply of these data, and ensure personal responsibility in cases of misreporting; and seek appropriate resident technical assistance to ensure rapid progress | Q3 2010          | MinFin    |   | <i>also in the SGP</i> |
| 12 | Government starts to publish timely information on the financial situation in public enterprises (at least the 10 largest loss-making ones) and other public entities not classified in the general government (including detailed income statements, balance sheets and data on employment and the wage bill). To this end, a regular and timely reporting mechanism is introduced  | Q3 2010          | MinFin    |   |                        |
| 13 | Publish 2009 financial statements of the ten largest loss-making public enterprises, audited by chartered accountants, on the official website of the Ministry of Finance.   | Q3 2010          | MinFin    |   |                        |
| 14 | Adopt new Regulation of Statistical Obligations for the agencies participating in the Greek Statistical System.  | Q4 2010          | MinFin    |   |                        |
|    | <b>Fiscal framework:</b>   |                  |           |   |                        |
| 15 | Draft legislation to:  | Q4 2010          | MinFin    |   | <i>also in the SGP</i> |
|    | -Introduce a medium-term fiscal framework covering the general government based on rolling three-year expenditure ceilings for the State, social security local governments entities   |                  |           |   |                        |
|    | -Strengthen the position of the Finance Minister vis-à-vis line ministers in both budget preparation and execution phases (giving him/her veto power on spending decisions and execution)  |                  |           |   |                        |
|    | -Introduce a compulsory contingency reserve in the budget, corresponding to 10% of total appropriations government departments other than wages, pensions and interest; the use of the contingency reserve will be decided by the Finance Minister   |                  |           |   |                        |
|    | -Ensure that Parliament does not modify the overall size of the budget at the approval stage, and focus on the composition of public expenditure and revenue, and reliability of projections for expenditure and revenue   |                  |           |   |                        |
|    | -Introduce stronger expenditure monitoring mechanisms, particularly by implementing an appropriate control of spending commitments, through which spending entities would report on a regular basis to the Treasury on their outstanding expenditure commitments against their authorised appropriations in the budget law   |                  |           |   |                        |
|    | -Introduce a revenue rule for the general government, according to which the allocation of higher-than-expected revenues should be specified ex-ante in the budget law   |                  |           |   |                        |
|    | -Creation of a fiscal agency attached to Parliament providing independent advice and expert scrutiny on fiscal issues, and reporting publicly on the budgetary plans and execution of the spending entities of the general government, and on macroeconomic assumptions used in the budget law   |                  |           |   |                        |
| 16 | Adopt legislation to strengthen the fiscal framework (see Q4-2010)   | Q1 2011          | MinFin    |   |                        |
|    | <b>Pension system reform:</b>  |                  |           |   |                        |
| 17 | Prepare draft legislation for pension reform   | Q2 2010          | MinLab    | Finalisation of draft law in process. It is expected to be voted by mid July. | <i>also in the SGP</i> |
| 18 | The National Actuarial Authority to produce a report to assess whether the parameters of the new system significantly strengthen long-term actuarial balance   | Q2 2010          | MinLab    | Report on actuarial balance to be released in the next few days               |                        |
| 19 | Adopt a comprehensive pension reform that reduces the projected increase in public spending on pensions over the period 2010-60 to 2½ percent of GDP, including:   | Q3 2010          | MinLab    |   | <i>also in the SGP</i> |

| No                                   | Measures   | Time frame (end) | Authority     | Status of implementation                                | Notes                  |
|--------------------------------------|--|------------------|---------------|---|------------------------|
|                                      | -Simplification of the fragmented pension system by merging the existing pension funds in three funds and introducing a unified new system for all current and future employees. The new universally binding rules on entitlements, contributions, accumulation rules and indexation of pension rights shall be applied pro rata to everybody from 1 January 2013. |                  |               |   |                        |
|                                      | -Introduction of a unified statutory retirement age of 65 years, including for women in the public sector (phased in immediately after adoption), to be completed by December 2013   |                  |               |   |                        |
|                                      | -Gradual increase in the minimum contributory period for retirement on a full benefit from 37 to 40 years by 2015  |                  |               |   |                        |
|                                      | -Amendment of the pension award formula in the contributory-based scheme to strengthen the link between contributions paid and benefits received, with accrual rate limited to an average annual rate of 1.2%, and pensions indexed to prices  |                  |               |   |                        |
|                                      | -Introduction of an automatic adjustment mechanism that, every three years and starting in 2020, will increase the (minimum and statutory) retirement age in line with the increase in life expectancy at retirement   |                  |               |   |                        |
|                                      | -Extend the calculation of the pensionable earnings from the current last five years to the entire lifetime earnings (while retaining acquired rights)   |                  |               |   |                        |
|                                      | -Reduction of the upper limit on pensions  |                  |               |   |                        |
|                                      | -Introduction of a means-tested minimum guaranteed income for elderly people (above the statutory retirement age), to protect the most vulnerable groups, consistent with fiscal sustainability  |                  |               |   |                        |
|                                      | -Measures to restrict access to early retirement. In particular, increase the minimum early retirement age to 60 years by 1 <sup>st</sup> January 2011, including for workers in heavy and arduous professions and those with 40 years of contributions. Abolish special rules for those insured before 1993 (while retaining acquired rights).                    |                  |               |   |                        |
|                                      | -Substantial revision of the list of heavy and arduous professions   |                  |               |   |                        |
|                                      | -Reduction of pension benefits (by 6% per year) for people entering retirement between the ages of 60 and 65 with a contributory period of less than 40 years  |                  |               |   |                        |
|                                      | -Introduction of stricter conditions and regular re-examination of eligibility for disability pensions   |                  |               |   |                        |
| <b>Public Administration reforms</b> |  |                  |               |   |                        |
|                                      | <b>Transparency of public spending decisions:</b>  |                  |               |   |                        |
| 20                                   | Adopt legislation requiring online publication of all decisions involving commitments of funds in the general government sector  | Q2 2010          | MinInt        | Draft law has been submitted to parliament (18.06.2010) | <i>also in the SGP</i> |
|                                      | <b>Local administration reform:</b>  |                  |               |   |                        |
| 21                                   | Adopt legislation reforming public administration at the local level   | Q2 2010          | MinInt        | Completed. Law 3852/2010, FEK 87A/7.6.2010              | <i>also in the SGP</i> |
| 22                                   | Adopts all necessary legislation and decree for the full entry into force of the local administration reform   | Q4 2010          | MinInt        |   |                        |
|                                      | <b>Remuneration system for public sector employees:</b>  |                  |               |   |                        |
| 23                                   | Launch a process, including the principles and timetable, for establishing a simplified remuneration system covering basic wages and allowances. It shall apply to all public sector employees, and be part of an overall reform of Human Resource management. This should lead to a system where remuneration reflects productivity and tasks                     | Q3 2010          | MinFin/MinInt |   |                        |
| 24                                   | Adopt reform of the public wage legislation  | Q4 2010          | MinFin        |   |                        |
| 25                                   | Complete the creation of a Single Payment Authority for the payment of wages in the p  | Q4 2010          | MinFin        |   | <i>also in the SGP</i> |

| No                | Measures   | Time frame (end) | Authority     | Status of implementation | Notes                  |
|-------------------|--|------------------|---------------|--------------------------|------------------------|
| 26                | The Ministry of finance publishes a detailed report, based on information and in collaboration with the Single Payment Authority, on the structure and levels of compensation and the volume and dynamics of employment in the general government  | Q4 2010          | MinFin        |                          |                        |
| 27                | Adopt legislation/decrees for a simplified remuneration system. This reform should be part of an overall reform of Human Resource management in the public sector  | Q2 2011          | MinFin/MinInt |                          |                        |
|                   | <b>Independent functional review of the central government:</b>  |                  |               |                          |                        |
| 28                | Launch an independent functional reviews of the public administration at central level and of existing social programmes by internationally renowned and external experts in order to:   | Q3 2010          | MinInt        |                          |                        |
|                   | - To take stock of the use of resources, including human resources, to carry out government functions (e.g., employment, goods and services) in the central government and subordinated public institutions  |                  |               |                          |                        |
|                   | -To identify actions to rationalize the organisation of public administration and generate productivity gains, and quantify possible fiscal savings from implementation of these actions   |                  |               |                          |                        |
|                   | -To assess effectiveness and appropriateness of existing social programmes and make proposals for reform or cancellation of the least effective ones, while quantifying possible fiscal savings from implementation of these actions   |                  |               |                          |                        |
| 29                | Adopt legislation and measures to rationalize the use of resources, the organisation of the public administration and the effectiveness of social programmes (based on findings of the external and independent functional review)   | Q2 2011          | MinInt        |                          |                        |
|                   | <b>Public procurement:</b>   |                  |               |                          |                        |
| 30                | Complete the first phase of the public procurement system reform, with a central procurement authority and involving a swift implementation of the electronic platform for public procurement and introducing the use of e-auctioning system. It should ensure a common approach and tendering procedures, <i>ex ante</i> and <i>ex post</i> controls. | Q4 2010          | MinEcon       |                          | <i>also in the SGP</i> |
| 31                | Complete effective transposition of Directive 2007/66/EC on public procurement regarding remedies and have an effective appeals system (responsibility for the reviews to be vested with the administrative courts)  | Q1 2011          | MinEcon       |                          |                        |
| 32                | Complete transposition of Directive 2009/81 on defence and security expenditure  | Q1 2011          | MinDef        |                          |                        |
|                   | <b>Better regulation:</b>  |                  |               |                          |                        |
| 33                | Adopt legislation to implement the Better Regulation agenda  | Q4 2010          | MinInt/GSG    |                          |                        |
| 34                | Adopt legislation to implement the Better Regulation agenda aiming to reduce administrative burden by 20% compared to 2008 level. Send a report to the Commission  | Q3 2011          | MinInt/GSG    |                          |                        |
| <b>Healthcare</b> |  |                  |               |                          |                        |
|                   | <b>Healthcare reform:</b>  |                  |               |                          |                        |
| 35                | Adopt legislation on the institutional framework for health supplies (Law 3580/2007)   | Q4 2010          | MinHeal       |                          | <i>also in the SGP</i> |
| 36                | Establish new systems for the management of drugs that favour more use of generic medicines, including a new system for the electronic monitoring of doctors' prescriptions  | Q4 2010          | MinHeal       |                          | <i>also in the SGP</i> |
| 37                | Complete the programme of hospital computerisation, upgrading hospital budgeting systems, and the reform of management, the accounting (including double-entry accrual accounting) and financing systems   | Q4 2010          | MinHeal       |                          | <i>also in the SGP</i> |
| 38                | Establish greater budgetary and operational oversight of health care spending by the Finance Minister  | Q4 2010          | MinHeal       |                          |                        |

| No                             | Measures  | Time frame (end) | Authority | Status of implementation  | Notes                  |
|--------------------------------|---|------------------|-----------|---|------------------------|
| 39                             | Ensure the publication of audited accounts and improvement in pricing and costing mechanisms  | Q4 2010          | MinHeal   |   | <i>also in the SGP</i> |
| <b>Labour Market and Wages</b> |   |                  |           |   |                        |
|                                | <b>Discussion with social partners:</b>   |                  |           |   |                        |
| 40                             | Start discussions with social partners in order to revise private sector wage bargaining and contractual arrangements   | Q2 2010          | MinLab    | The revision of the private sector wage bargaining and contractual arrangements will be included in the Pension reform law. It is expected to be voted by mid July. |                        |
|                                | <b>Reform private wage bargaining system to ensure wage moderation:</b>   |                  |           |   |                        |
| 41                             | Adopt legislation to reform wage bargaining system in the private sector, including local territorial pacts to set wage growth below sectoral agreements  | Q4 2010          | MinLab    |   |                        |
| 42                             | Introduce variable pay to link wages to productivity performance at the firm level  | Q4 2010          | MinLab    |   |                        |
| 43                             | Amend regulation of the arbitration system, (Law 1876/1990), so that both parties can resort to arbitration if they disagree with the proposal of the mediator  | Q4 2010          | MinLab    |   |                        |
|                                | <b>Increase the flexibility of working hours:</b>   |                  |           |   |                        |
| 44                             | Adjust legislation to provide for a reduction in pay rates for overtime work and enhanced flexibility in the management of working time   | Q4 2010          | MinLab    |   |                        |
|                                | <b>Reform minimum wages:</b>  |                  |           |   |                        |
| 45                             | Following dialogue with social partners, government to adopt legislation on minimum wages to introduces sub-minima for groups at risk such as the young and long term unemployed,   | Q4 2010          | MinLab    |   |                        |
| 46                             | Adopt measures to guarantee that current minimum wages remain fixed in nominal terms for three years  | Q4 2010          | MinLab    |   |                        |
|                                | <b>Reform Employment Protection Legislation:</b>  |                  |           |   |                        |
| 47                             | Extend the probationary period for new jobs to one year   | Q4 2010          | MinLab    |   |                        |
| 48                             | Reduce the overall level of severance payments which should apply equally to blue and white collar workers  | Q4 2010          | MinLab    |   |                        |
| 49                             | Raise the minimum threshold for activating rules on collective dismissals especially for larger companies   | Q4 2010          | MinLab    |   |                        |
| 50                             | Facilitate use of temporary contracts and part-time work  | Q4 2010          | MinLab    |   |                        |
|                                | <b>Fight undeclared work:</b>   |                  |           |   |                        |
| 51                             | Complete the reform to strengthen the Labour Inspectorate, which should be fully resourced with qualified staff and has quantitative targets on the number of controls to be executed   | Q2 2011          | MinLab    |   |                        |
| 52                             | Adapt the legislation on tackling undeclared work to require the registration of new employees before they start working  | Q2 2011          | MinLab    |   |                        |
|                                | <b>Review social safety net:</b>  |                  |           |   |                        |
| 53                             | Review the scope for improvements in the targeting of social expenditures to enhance the social safety net for the most vulnerable  | Q2 2011          | MinLab    |   |                        |
| <b>Business Environment</b>    |   |                  |           |   |                        |
|                                | <b>Business start ups:</b>  |                  |           |   |                        |
| 54                             | Adopt law to simplify start-ups of new businesses   | Q2 2010          | MinEcon   | Completed. Law 3853/2010, FEK 90A/17.06.2010  | <i>also in the SGP</i> |
| 55                             | Make the General Commercial Registry (GEMI) fully operational   | Q3 2010          | MinEcon   |   |                        |
|                                | <b>Improve the Business Environment:</b>  |                  |           |   |                        |
| 56                             | Change legislation to mitigate tax obstacles to mergers and acquisitions such as the non-transfer of accumulated losses, together with the company and the complex computation of "excessive benefit" (Law 3522/2006, Article 11) in the transfer of private limited companies. | Q3 2011          | MinEcon   |   |                        |

| No  | Measures  | Time frame (end) | Authority                          | Status of implementation                     | Notes                  |
|---|---|------------------|------------------------------------|--|------------------------|
| 57  | Simplify the process to clear customs for exports and imports and give larger companies or industrial areas the possibility to be certified to clear cargo for the customs themselves.  | Q3 2011          | MinEcon                            |  |                        |
| 58  | Abolish the requirement of registration with the exporter's registry of the chamber of commerce obtaining a certificate of origin   | Q3 2011          | MinEcon                            |  |                        |
| <b>Services Directive:</b>  |   |                  |                                    |  |                        |
| 59  | Adopt horizontal legislation for the implementation of the Services Directive   | Q2 2010          | MinFin/MinInt                      | Completed. Law 3844/2010 FEK 63 A/03/05/2010 | <i>also in the SGP</i> |
| 60  | Finalise the review of existing sectoral legislation (screening) and ensure that the point(s) of single contact is(are) operational   | Q3 2010          | MinFin                             |  | <i>also in the SGP</i> |
| 61  | Adopt measures in key service sectors such as tourism, retail and education services  | Q4 2010          | MinCult/MinEcon/<br>MinEduc        |  | <i>also in the SGP</i> |
| <b>Railways:</b>  |   |                  |                                    |  |                        |
| 62  | Prepare a recovery plan for the railway sector with a timetable for measures which will specify how operational activities will be made profitable, including by closing loss-making lines; will ensure the effective implementation of EU Directives allowing for competition amongst providers of railway services; and will provide for the restructuring of holding company, including the sale of land and other assets. | Q2 2010          | MinFin/MinTra                      | Restructuring plan under preparation         |                        |
| 63  | Fully implement the recovery plan for the railway sector  | Q1 2011          | MinTran                            |  |                        |
| <b>Road Freight transportation:</b>   |   |                  |                                    |  |                        |
| 64  | Adopt law on road freight transport that removes restrictions not provided for in Directive 96/26/EC of 29 April 1996 on admission to the occupation of road haulage, including minimum fixed prices  | Q3 2010          | MinTran                            |  |                        |
| <b>Energy:</b>  |   |                  |                                    |  |                        |
| 65  | Adopt Ministerial Decree to liberalise the wholesale electricity market   | Q3 2010          | MinEnv                             |  |                        |
| 66  | Adopt Ministerial Decision to rationalise consumer tariffs  | Q3 2010          | MinEnv                             |  |                        |
| 67  | Adopt legislation to unbundle electricity and gas activities  | Q1 2011          | MinEnv                             |  |                        |
| 68  | Adopt measures to strengthen the independence and capacity of the Energy Regulatory Authority, including by bringing forward transparent criteria and procedure to govern the selection of the chair and members of RAE   | Q1 2011          | MinEnv                             |  |                        |
| 69  | Further unbundle the transmission system operators DESMIE and DESFA   | Q1 2011          | MinEnv                             |  |                        |
| <b>Open up restricted professions:</b>  |   |                  |                                    |  |                        |
| 70  | Propose sector-specific legislation to remove restrictions to trade in the legal profession, the pharmacy profession, the notary profession, architects, engineers, auditing services   | Q4 2010          | MinJust/MinHeal/<br>MinTran/MinFin |  | <i>also in the SGP</i> |
| 71  | Adopt legislation to open up restricted professions including the legal profession, the pharmacy profession, the notary profession, architects, engineers and auditing services   | Q2 2011          | MinJust/MinHeal/<br>MinTran/MinFin |  |                        |
| 72  | Implement the Professional Qualifications Directive so that qualifications from third countries are recognized  | Q4 2010          | MinEduc                            |  |                        |
| <b>Simplify the licensing of industrial units and reduce the costs of doing business:</b> |   |                  |                                    |  |                        |
| 73  | Adopt legislation to simplify and accelerate the process of licensing enterprises, industrial activities and professions, which inter alia revises Law 3325/05, makes Law 3335/05 for business areas, and operationalises the spatial plan  | Q4 2010          | MinEcon                            |  |                        |
| <b>Competition policy framework:</b>  |   |                  |                                    |  |                        |

| No   | Measures   | Time frame (end)          | Authority       | Status of implementation   | Notes                  |
|--|--|---------------------------|-----------------|--|------------------------|
| 74   | Adopt a law modifying the existing institutional framework of the Hellenic Competition Commission (HCC) which gives the HCC the power to reject complaints, to increase the independence of HCC members, and to establish reasonable for the investigation and issuance of decisions   | Q4 2010                   | MinEcon         |  | <i>also in the SGP</i> |
| <b>Promoting investments and exports</b>                     |  |                           |                 |  |                        |
| <b>Promoting FDI and investment in strategic sectors:</b>    |  |                           |                 |  |                        |
| 75   | Take measures, in line with EU competition rules, to facilitate FDI and investment in innovation in strategic sectors (green industries, ICT etc...) through a revision of the Investment Law, the adoption of measures to facilitate PPPs, action to fast-track large FDI projects and measures to strengthen export promotion policy                         | Q3 2010                   | MinEcon         |  |                        |
| <b>R&amp;D and innovation:</b>                               |  |                           |                 |  |                        |
| 76   | Carry out in depth evaluation of all R&D and innovation actions, including in various Operational Programmes, in order to adjust the national strategy   | Q4 2010                   | MinEduc/MinEcon |  |                        |
| 77   | Create an Advisory Council financed through the 7th R&D programme, to consider how to foster innovation, how to strengthen links between public research and Greek industries and the development of regional industrial clusters  | Q4 2010                   | MinEduc/MinEcon |  |                        |
| <b>Structural and Cohesion Funds</b>                         |  |                           |                 |  |                        |
| <b>Increase absorption of Structural and Cohesion Funds:</b> |  |                           |                 |  |                        |
| 78   | Put in place measures, including the implementation of Law 3840/2010, the establishment of a "fast-track project production", to achieve the six-monthly targets for payment claims targets in the absorption of Structural and Cohesion Funds and take steps to achieve an annual target of submitting 10 major projects applications to Commission services. | Q2 2010                   | MinEcon         | Draft law being prepared   | <i>also in the SGP</i> |
| 79   | Establish a technical task force in direct contact with Commission services, to ensure rapid implementation of a) major projects in transport sectors, b) environmental projects; c) financial engineering instruments and d) public administration reform, relying on increased technical assistance  | Q2 2010                   | MinEcon         | Ministerial Decision being prepared  |                        |
| 80   | Complete steps to ensure that budgetary appropriations for the national co-financing of Structural and Cohesion Funds are channelled to a special central account that cannot  | Q2 2010                   | MinEcon         | Procedural details to be specified in cooperation with Ministry of Finance |                        |
| 81   | Meet targets for payment claims (measured against certified data) and large projects   | Q4 2010, Q2 2011, Q4 2011 | MinEcon         |  |                        |
| 82   | Introduction of web-based open-access monitoring tool of procedures for approval of project proposals and for implementation of public projects  | Q4 2011                   | MinEcon         |  |                        |
| 83   | Ensure that the managerial capacity of all Managing Authorities and Intermediate Bodies of operational programmes under the framework of the National Strategy Reference Framework 2007-2013 has been certified by the International Organisation for Standardization according to the standard ISO 9001:2008 (Quality Management)                             | Q4 2011                   | MinEcon         |  |                        |