

Actions-Milestones for the 1st Review of the Third Economic Adjustment Programme for Greece*

Energy (Regulated Network Industries)

- Amendment of the gas reform law approved in August as part of the Omnibus bill to i) restore full eligibility for all customers outside the EPA areas (article 82) and ii) state RAE's competences on transmission tariffs (Art.88).
- Irreversible steps for the privatization of the electricity transmission company (ADMIE) unless an alternative scheme is provided with equivalent results in terms of competition and prospects for investment:
 - Initiation of the implementation of the gas market reform according to the agreed timeline, prioritization of distribution tariffs;
 - Implementation of a scheme for the temporary and permanent capacity payment system;
 - Initiation of technical discussions with the Commission on the permanent scheme;
 - Modification of electricity market rules to avoid that any plant is forced to operate below their variable cost;
 - Regulation according to the final decision of the Council of State on the netting of the arrears between PPC and the market operator;
 - Implementation of interruptible contracts as approved by the European Commission;
 - Revision of PPC tariffs based on costs, including replacement of the 20% discount for energy-intensive users;
 - Discussion with the European Commission the design of the NOME system of auctions.

Financial Stability

- (i) Adoption of secondary legislation on the financial assistance scheme for vulnerable households to facilitate the required payments required under the household insolvency law. (ii) Issuance by the Bank of Greece of a decision on the procedure and criteria to be used for determining the maximum of borrower repayment capacity, the amount that creditors would have received in case of emergency enforcement and the potential prejudice to the creditors; (iii) Preparation - presentations of a detailed implementation plan for the establishment of a Credit and Wealth Bureau by end-June 2016 as an independent authority that will identify borrowers' payment capabilities for the facilitation of banking institutions.
- Amendments to the household insolvency law: legislate primary and issue secondary legislation to tighten the eligibility criteria for protection of the primary residence while protecting the vulnerable debtor in line with the proposal made by the institutions.
- Finalization of comprehensive strategy for the financial system
- Finalization of credible strategy for addressing the issue of nonperforming loans
- Issuance by the Bank of Greece of all the provisions for the implementation of the Code of Conduct
- Operationalization of the HFSF selection panel for the appointments of all members and chairman including (i) reaching agreement on a binding Terms of Reference for the selection process, (ii) having the HFSF submit to the EWG a proposal on the remuneration of Selection Panel members which has been agreed with the European institutions, and (iii) agreeing a timetable for the next steps with the aim of completing appointments by end-December 2015
- Publication of PM decision of the activation of the Government Council of Private Debt
- Settlement of non-performing loans (NPLs) including the legal framework for the licencing of non-banking institutions that will manage NPLs. The sale of NPLs related to primary homes and SMEs will be specified in the context of the first programme review.

* Source: Theodoros Stamatou, [Update on the Structural Reforms' Implementation Progress](#), Eurobank, December 15, 2015.

Guaranteed Minimum Income Scheme

Presentation of detailed preparations for a gradual nationwide roll-out of a GMI, including plans to set up of benefits registry and for social inclusion strategy

Health sector

- Extension of the claw back ceilings for diagnostics, private clinics and pharmaceuticals to the next three years
- Issuance a ministerial decree for the application of clawback on hospitals and limit the prices of private diagnostic tests.
- Issuance of ministerial decision freezing the 2015 level of clawback up to 2018 for private clinics.
- Issuance of ministerial decision freezing the 2015 level of clawback up to 2018 for diagnostics (or reducing it, in view of forthcoming price cuts)
- On INN Prescriptions: Issuance of relevant Circular on "Diayaeia" and must be sent to IDIKA.
- Repeal of ministerial decision FEK 1117/2015, in order to re-enforce sanctions and penalties as a follow-up to the assessment and reporting of misconduct and conflict of interest in prescription behavior and non-compliance with the EOF prescription guidelines.
- Establishment of claw backs for 2015 for diagnostics and private clinics and delinkement of the 2014 claw back for private clinics from the 2013 one.
 - On establishing the claw backs for 2015 for diagnostics and private clinics: the new MD must be published and the FEK number provided.
 - On delinking the 2014 claw back for private clinics from the 2013 one: the new MD must be published and the FEK number provided.
- Amendment the legislation on grandfathering in light of highlighted issues on the period of price protection (data vs patent), and on the pricing mechanism. Insertion of a clause repealing conflicting provisions. All the following must be present in the final legislation:
 - grandfathering must not apply;
 - pricing mechanism must be satisfactory;
 - protection period must be the shortest between data and patent;
 - conflicting legislation must be repealed

Interventions in the projects that are co-financed by EU structural funds

Establishment of an inter-ministerial committee for motorways, metro and waste management projects in particular, aiming to supervise the timetable of works and safeguard the timely decision making for their implementation.

Justice

- Issuance of a presidential decree which shall specify the terms for the establishment of the appropriate infrastructure of the auction announcement webpage, the required conditions and the other details for the respective publications.
- Production of a roadman for the implementation of the revised Code of Civil Procedure

Land use

Preparation of proposals for potential improvements of the law 4269 on spatial planning, agreement with the institutions on the content of the Presidential Decree on forestry definitions and submission of the Decree

Outlook and strategy

Finalization of a medium-term technical assistance plan with the European Commission

Pensions

- Integrate into ETEA by 1st September 2015 all supplementary pension funds and ensure that all supplementary pension funds will be only financed by own contributions from 1 January 2015
- Issuance of all Ministerial Decisions for the implementation of all pension provisions. These decisions should include an explanation that minimum pensions should also be subject to early retirement penalties (e.g. when provided at the age of 62 with 15 years of contributions).
- Issuance of Circular for the implementation of Law 3865/ 2010 Law for the public sector, Repealing new date for pro- rata of Law 3865/2010 in public sector and reinstatement from 1.1.2015
- Secondary legislation for Early retirement law for public sector
- Other amendments on the August omnibus act and other laws on pensions:
 - The following addition for both the public sector and main laws: For those who can retire on a full pension before the age of 67 with less than 40 years of contributions, the contributory period will be progressively adapted to 40 years by 2022.
 - Review and repeal as appropriate exceptions to those subject to the provisions of sub-bullets aa), bb) and ee), of bullet b', paragraph 3 of the article 56 of PD 169/2007 and article 4 of Law 3660/2008 (A'78).
 - Amend paragraph 4 of public sector law, specifying 67 percent or higher disability grade.

Privatizations

- (i) Appointment of an independent task force to identify options and prepare recommendations on the operational goals, structure and governance of the new Privatisation Fund that will be created, following the Euro Summit statement of July, (ii) complete the Government Pending Actions identified by the institutions for 2015Q4.
- Irreversible steps for the sale of the regional airports at the current terms with the winning bidder already selected.
- Verification implementation of all Government Pending Actions identified by HRDAF.

Product markets and business environment

- Adoption of measures for combating fuel smuggling and VAT carousel fraud.
- Adopt the OECD recommendation on pharmacy ownership to open to non-pharmacists.
- Adoption of 10 additional OECD toolkit recommendations including those for beverages and petroleum products.
- Adoption of a cabinet act for the establishment of a committee for the inter-ministerial preparation of legislation.
- Adoption of a roadmap for the investment licensing reform.
- Establishment of three mobile enforcement teams on anti-smuggling.
- Implement at least an additional 35 OECD toolkit II recommendations including those on beverages and petroleum products.
- Issuance of a ministerial decree for the reestablishment of the inter-ministerial committee for restricted professions.
- Issuance of ministerial decision for the determination of notaries fees
- Launch of impact assessment of selected reforms on competition, investment licenses and administrative burden.
- Reconvening of the inter-ministerial spatial planning committee.

Public administration

- Adoption through legislation of the restructuring plan for 'OASA - Transport for Athens' agreed with the institutions.
- Reform of the unified wage grid with the MoU noting that key parameters should be set in a fiscally neutral manner and consistent with the agreed wage bill targets. In addition, a

comprehensive application across the public sector should be implemented including decompressing the wage distribution in connection with the skill, performance and position of staff.

- Presentation of a plan for the complete clearance of public sector arrears.
- Secondary legislation for the Fiscal Council.

Public procurement

Agreement with EC on details of action plan on public procurement.

Revenue administration

- Development of a cost plan for the promotion of and facilitation of electronic payments with the Bank of Greece and the private sector.
- Issuance of ministerial decision to extend indirect bank account register.
- Issuance of ministerial decision to specify details of transfer of SDOE staff to General Secretary of Public Revenue.
- Preparation of a plan for the establishment of a new independent secretariat of public revenues.
- Rectification of technical mistake in the omnibus act concerning the 2014-15 tax and SSC debt instalment schemes.

Statistics

Verification that ELSTAT has access to administrative data sources in line with the Art. 17 of Law 4174/2013 amended by 4254/2014 and 4258/2014, and the Memorandum of Understanding signed between ELSTAT, the Ministry of Finance (GSIS), the Secretary General for Public Revenues and IKA signed on 17/04/2014.

Tax Policy

- Compensation. if the government changes the provisions related to VAT on private education.
- Criminal law on tax evasion and fraud and abolition of Code of Books and Records fines including those of law 2523/1997.
- Issuance of Circular on fines and legislation on fines for breach of accounting code and retail receipts.
- Repeal of article 2(3) of law 4328/2015 concerning the legal assignment of unpaid rents to the Revenue service and replacement as required.
- Review and repeal as appropriate the amendments to the pension system introduced in Laws 4325/2015 and 4331/2015 (articles 21, 24, 28, 31, 37, 38, 39, 75, 76) in agreement with the institutions.
- Technical amendment to ensure abolition of the refund of excise tax on diesel oil for farmers from October 2016.