

25 November 2022

Positive preliminary assessment of the satisfactory fulfilment of milestones and targets related to the second payment request submitted by Greece on 30 September 2022, transmitted to the Economic and Financial Committee by the European Commission

Executive summary

In accordance with Article 24(2) of Regulation (EU) 2021/241, on 30 September 2022, Greece submitted a request for payment for the second instalment of the non-repayable support and the second instalment of the loan support. The payment request was accompanied by the required management declaration and summary of audits.

To support its payment request, Greece provided due justification of the satisfactory fulfilment of the 25 milestones and targets of the second instalment of the non-repayable support and the 3 milestones and targets of the second instalment of the loan support, as set out in Section 2.4 and Section 3.4 of the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Greece ¹.

In its payment request, Greece has confirmed that measures related to previously satisfactorily fulfilled milestones and targets have not been reversed. The Commission does not have evidence of the contrary. This includes in relation to milestone 331, *EDEL's legal mandate and setting up the management, control and audit systems*, and the commitments on audit and controls that were undertaken in the context of the first payment request to ensure continuous compliance with this milestone and with its obligations under the Financing and Loan Agreements. Based on the documentation submitted, Greece has prepared and is implementing a roadmap for the use of EU ARACHNE as a data mining and risk-scoring tool for the control of conflict of interest. Greece has also adopted an adequate risk-based selection approach for the ex-ante checks to prevent conflict of interest, making use of the beneficial owners' data, and has amended accordingly the relevant audit and control procedures. Furthermore, once the European Central Platform becomes operational and accessible to the actors involved in the Recovery and Resilience Facility implementation and monitoring, it will be used to collect beneficial owners' data, where in line with the commitment in the meantime, implementing bodies will contact, in case needed, the Official register of the Member State in which the company is resident. On the basis of the evidence submitted, the Commission considers that Greece has ensured continuous compliance with the milestone and with its obligations under the Financing and Loan Agreements with respect to these commitments.

Upon receipt of the payment request, the Commission has assessed on a preliminary basis the satisfactory fulfilment of the relevant milestones and targets. Based on the information provided by Greece, the Commission has made a positive preliminary assessment of the satisfactory fulfilment of all 28 milestones and targets.

The milestones and targets positively assessed as part of this payment request demonstrate significant steps in the implementation of Greece's Recovery and Resilience Plan. They notably highlight the continuation of the reform momentum in key policy areas. This includes, among others, reforms in the following areas: the organisation of the railways sector and the legal framework of

¹ ST 10152 2021 INIT and ST 10152 2021 ADD 1, not yet published

public bus transport; a new support scheme for the production of renewable energy along with the simplification of the licensing of renewable energy investment, introduction of a market monitoring system and demand-side response in the energy market; the establishment of a national lifelong learning framework; interconnection of payment terminals with the tax administration and encouraging electronic transactions, taxation to incentivise green and digital investments by the private sector, to encourage small companies to grow and export, and to attract strategic investments; and the supervision of capital markets,. In addition, the satisfactory fulfilment of milestones and targets indicates progress towards the completion of investment projects related to the digital transformation of small and medium-sized enterprises, disability care, research infrastructure, road infrastructure, smart manufacturing, new industrial parks, and the economic transformation of the agricultural sector. Three of the milestones and targets concern the Loan Facility which aims to support private investment related to the green transition, digitalisation, increasing export capacity, economies of scale and innovation. The actions undertaken for the current payment request are the establishment of an equity platform to support dynamic firms and start-ups, the signature of the InvestEU Contribution Agreement between the Ministry of Finance and the European Commission, and the first €586.4 million of contracts signed by financial institutions with final recipients.

By the transmission of this positive preliminary assessment and in accordance with Article 24(4) of Regulation (EU) 2021/241, the Commission asks for the opinion of the Economic and Financial Committee on the satisfactory fulfilment of the relevant milestones and targets.

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Number: 004	Related Measure: Restructuring and enhancement of the RES CHP Account revenues (Measure ID: 16865)	
Name of the Milestone: RES account - legislation to amend L. 4001/2011; entry into force of all relevant decisions, including codes, by ministries, by the National Regulatory Authority (RAE) and by the Administrator of Renewable Energy Sources and Guarantees of Origin (DAPEEP).		
Qualitative Indicator: Entry into force of legislation and relevant executive decisions.		Time: Q2 2022
Context: The objective of this reform is to restructure and enhance the Renewable Energy Sources -Combined Heat and Power (RES-CHP) Account revenues, which serve to compensate the RES producers in the electricity market. To this end, this measure includes (a) the restructuring of the existing remuneration structure for RES Producers, through the establishment for new RES units (commissioned after 1 January 2021) of a New RES-CHP Account replacing the current one complemented by new mechanisms that shall guarantee the financial viability of both existing and the New RES-CHP Accounts; and (b) the introduction of a Guarantees of Origin trading system, of an extraordinary “Covid-19 Duty” for RES producers and suppliers, and of a permanent “carbon tax” on diesel fuel. Milestone #4 consists of the establishment of the new Renewable Energy Sources (RES) account, for units commissioned from 1 January 2021 onwards, including amending legislation, ministerial decision, and regulatory decisions, as well as entry into force of a Guarantees of Origin trading system that shall allow consumers to voluntarily support RES electricity. The milestone is the first one for the measure and it will be followed by consecutive targets 6 (due in Q2 2023), 7 (due in Q2 2024) and 8 (due in Q2 2025), which relate to the RES account capacity increase.		

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.

For the establishment of the new RES Account:

2. Copy of the publication in the Official Journal (Law 4920/2022 (Official Journal A' 74/15.04.2022)), amending article 143 of Law 4001/2011, setting up the new Renewable Energy Sources (RES) sub-account for new RES units.
3. Copy of the publication in the Official Journal (Ministerial Decision of the Minister of Environment and Energy Δ ΑΠΕΕΚ/81329/3660 (Official Journal B 4247/10.08.2022, "Determination of the procedure for the calculation, apportionment and pricing of the charging of Cargo Representatives for the compensation of new RES and S.H.I.T.Y.A. projects of ESEK objectives, of the Sub-account of new RES Projects and S.H.I.T.Y.A. of E.S.E.K. objectives of the Special Account")) setting out the details of the new RES account.

For the introduction of a Guarantees of Origin trading system:

4. Copy of the publication in the Official Journal (Part B of Law 4951/2022 (Official Journal A 129/4.07.2022, "Modernization of the licensing process of Renewable Energy Sources Phase B, Licensing of electricity production and storage, framework for the development of Pilot Marine Floating Photovoltaic Stations and more specific provisions for energy and environmental protection")), amending Law 3468/2006 and introducing the Guarantees of Origin trading system.
5. Copy of the publication in the Official Journal (Ministerial Decision of Minister of Environment and Energy Δ ΑΠΕΕΚ/81331/3661 (Official Journal B 4246/10.08.2022, "Implementation of the System of Guarantees of Origin of Electricity from RES and S.I.TH.Y.A. and its Guarantee Mechanism")) setting out the details for the Guarantees of Origin trading system.

For the introduction of an extraordinary "Covid-19 Duty" for RES producers and suppliers, and of a permanent "carbon tax" on diesel fuel:

6. Copy of the publication in the Official Journal (Law 4759/2020 (Official Journal A' 245/9.12.2020, "Modernization of Spatial and Urban Planning Legislation and other provisions")), introducing the "extraordinary Covid-19 Duty" for RES producers and suppliers and a "green levy" on diesel.

Analysis:

Establishment of the new RES Account:

In line with the requirements of the Council Implementing Decision, the new Renewable Energy Sources (RES) Account was set up by article 226 of Law 4920/2022 (OJ A' 74/15.04.2022 – evidence n.2), amending article 143 of Law 4001/2011. The Law entered into force on 15 April 2022, as provided by article 231. Article 226 of the Law provides that a sub-account is created from 1 June 2022 with the name "Sub-Account of new RES and HECHP (High-Efficiency Combined Heat and Power) Projects for the objectives of the National Plan for Energy and Climate, from which the owners of the power generation stations from RES and HECHP which are put into operation from

01.01.2021 are compensated". The new RES Account collects all inflows and outflows for new RES projects. No existing right or obligation, surplus or deficit from the old RES Account is transferred. The old Account continues to pay for all RES commissioned until 31.12.2020, and the new Account pays for new capacity additions as of 01.01.2021.

Following the publication of the Law, the Ministerial Decision of the Minister of Environment and Energy Δ ΑΠΕΕΚ/81329/3660 (OJ B 4247/10.8.2022 – evidence n.3) was published. The Ministerial Decision, entered into force on 10 August 2022, as provided by article 9 and it describes the details and process of application of the charge imposed on electricity suppliers for the compensation of the new RES and HECHP Projects which are put into operation from 01.01.2021.

In line with the requirements of the Council Implementing Decision, the Law and Ministerial Decision which entered into force on 15 April and 10 August 2022, respectively, ensure that any unexpected inflows/outflows leading to a negative impact on the RES account(s) are addressed through the regulatory fees that shall be passed on to the customers. Specifically, for the new account, set out in Ministerial Decision of the Minister of Environment and Energy Δ ΑΠΕΕΚ/81329/3660 (art. 3-8), the new charge serves to compensate for any missing amount from the New Account after a certain reference period. The charge will be dynamically calculated, each month, and will depend on the actual amount that remains after all other sources of revenue or inflows are deducted, to ensure that the new Account will be in balance. Once calculated, the charge will be paid by electricity suppliers according to their market share/load representation. The Charge therefore is a distinct, transparent and easily predictable annual charge which producers will mandatorily pass through to consumers. Therefore, the law includes a mechanism to ensure the financial viability of the RES account in case of unforeseen imbalances.

The old RES Account (for all RES commissioned until 31.12.2020) continues to operate with all the previous revenue sources but with a substantial number of outflows removed (since it keeps all the previous regulated sources of revenue, such as ETMEAR, but it will not pay any sum for new RES projects after 01.01.2021 which are covered by the New Account). Moreover, a robust framework for the monitoring of the viability of the old RES Account is already in place (according to article 25 of Law 3468/2006 and article 143, paragraph 3 of Law 4001/2011) and guarantees that market fundamentals, as well as all other main sources of revenue, are closely scrutinized and considered when deciding the annual calculation of various dynamic parameters of the inflows of the old RES Account.

The Council Implementing Decision required the establishment of the new RES account through primary and secondary legislation, as well through regulatory decisions (codes). Such regulatory decisions were not adopted. Whilst the absence of regulatory decisions represents a minimal formal deviation from the wording of this constitutive element of the milestone, it does not change the nature of this part of the measure. This is because the primary and secondary legislation which has entered into force already guarantees the establishment of the new RES Account, including mechanisms to ensure its financial viability in case of unforeseen imbalances, and, as such, no regulatory decisions are needed for the establishment of the new RES account. This minimum deviation does not affect the progress towards the achievement of the reform that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Introduction of a Guarantees of Origin trading system:

In line with the requirements of the Council Implementing Decision, a legislative amendment was included in Law 4951/2022 (OJ A 129/04.07.2022 - evidence n.4) to introduce a Guarantees of Origin

trading system. The Law entered into force on 4 July 2022, as provided by article 173. The new provisions for Guarantees of Origin are contained in articles 125-133 (Part C of Section D of the Law). Article 125 specifically amends Greece's RES Law, Law 3468/2006, and establishes the entry into force of a Guarantees of Origin trading system that shall allow consumers to voluntarily support RES electricity. Articles 126-133 set out the basic conditions of functioning of the Guarantees of Origin system.

In addition, Ministerial Decision of the Minister of Environment and Energy Δ ΑΠΕΕΚ/81331/3661 (OJ B 4246/10.08.2022 - evidence n.5) sets out all the details of the implementation of the legal framework for Guarantees of Origin described in Law 4951/2022, thus completing the set-up of a Guarantees of Origin issuance/auctioning scheme for RES. In particular, the Ministerial Decision entered into force on 10 August 2022, as provided by article 19, and in articles 13 and 14 it establishes a framework for the development of "green electricity products" (i.e., products that provide consumers with the certainty of an increased use of energy from Renewable Sources compared to that provided in the general electricity mix) from electricity suppliers. The monitoring of the accuracy and validity of those "green" retail products has been assigned to the Administrator of Renewable Energy Sources and Guarantees of Origin (DAPEEP), to ensure transparency, fairness and consumer trust. Suppliers who decide to offer "green" electricity will have to comply with the monitoring and confirmation process of DAPEEP. This constitutes the accreditation process of 'green' retail products in line with the Council Implementing Decision requirements.

Moreover, commercial, industrial and professional consumers who want to use "green" retail products as part of their "green business practices" (e.g. CSR and sustainability reporting) and to publicize their choice are subject to the above-mentioned accreditation process to confirm that such "green" retail products have to conform with the standards set (and monitored) by DAPEEP for the Guarantees of Origin. The Administrator of Renewable Energy Sources and Guarantees of Origin (DAPEEP) is responsible for checking the adequacy and the transparency of the green products offered to the commercial customers. This constitutes the accreditation process of 'green' business standards in line with the Council Implementing Decision requirements.

Introduction of an extraordinary "Covid-19 Duty" for RES producers and suppliers, and of a permanent "carbon tax" on diesel fuel:

- In line with the requirements of the Council Implementing Decision, an extraordinary "Covid-19 Duty" for RES producers was introduced with the adoption of Law 4759/2020, article 157 paragraph 1 (OJ A 245/9.12.2020 – evidence n.6), amounting to 6% of their gross revenue for the year 2020.
- In line with the requirements of the Council Implementing Decision, an extraordinary "Covid-19 Duty" for RES suppliers was introduced with the adoption of Law 4759/2020, article 157 paragraph 2 (OJ A 245/9.12.2020 – evidence n.6), amounting to 2 euro per MWh of the load they represented, for the year 2020.
- In line with the requirements of the Council Implementing Decision, a "carbon tax" on diesel fuel was adopted with Law 4759/2020, article 158 (evidence n.6). In particular, paragraph 1 imposes a "green levy" on diesel, excluding diesel used for heating, amounting to 30 euro per kL (thousand litres). Paragraph 5 mandates that the "green levy" on diesel will be used for various purposes associated with the targets of Greece's NECP (National Energy and Climate Plan), including the higher penetration of Renewables.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number:005	Related Measure: Streamline the efficient operation of the new electricity market model and the development of new RES plants to reach NECP targets through the implementation of monitoring mechanism, the participation of demand response and an extensive reform of the licensing procedure for new RES (Measure ID: 16860)
Name of the Milestone: market reforms and simplification of licensing	
Qualitative Indicator: Entry into force of all relevant legislation, including ministerial decisions, and regulatory framework by RAE and DAPEEP	Time: Q2 2022
Context: The objective of this reform is to streamline the licensing framework for Renewable Energy Sources (RES). The measure envisages the simplification and digitalisation of procedures, including short and binding administrative response times and accountability procedures for unnecessary delays, the streamlining of the necessary documentation and procedures, as well as a new dedicated framework for the licensing of offshore RES plants. The overarching goal is to accelerate the doubling by 2030 of the installed capacity of RES in view of the lignite phase-out in Greece, as envisaged in the Greek National Energy and Climate Plan (NECP). The reform shall also establish a market monitoring system for the National Regulatory Authority for Energy (RAE) and the participation of demand-side response (DSR) in the balancing market. Milestone #5 requires the completion of the reform on simplification of RES licensing, as well as a new dedicated framework for offshore RES plants. In addition, it requires the establishment and full operation of a Market Monitoring and Surveillance Mechanism, as well as the full participation of Demand Side Response in the balancing market. That milestone is the only one for this reform.	
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. For the RES licensing simplification: 2. Copy of the publication in the Official Journal of primary legislation i.e. Law 4685/2020 (Official Journal A' 92/7.05.2020), "Modernisation of the Environmental Legislation, incorporation of Directives 2018/844 and 2019/692 of the European Parliament and the Council into Greek legislation and other provisions". 3. Copy of the publication in the Official Journal of secondary legislation (Ministerial Decision of Minister of Environment and Energy Δ ΑΠΕΕΚ 114746/4230 (Official Journal B 5291/1.12.2020), "Regulation for Electricity Production Certificates for RES and CHP and Electricity Production Certificates for Special Projects for RES and CHP"). 4. RAE Decision 456/2022 (26.05.2022), which sets out the round of applications for June 2022 linked to the establishment of an Electronic Registry of Electricity Production Certificates by the National Regulatory Authority (RAE) according to art. 11 par. 2 of Law 4685/2020 (evidence n.2). 5. Copy of the publication in the Official Journal (Part B of Law 4951/2022 (Official Journal A 129/4.7.2022), "Modernization of the licensing process of Renewable Energy Sources Phase B, Licensing of electricity production and storage, framework for the development of Pilot	

Marine Floating Photovoltaic Stations and more specific provisions for energy and environmental protection”). This law also sets out a framework for the development of pilot offshore solar PV project, complementary to evidence n.6.

For the framework for offshore RES plants:

6. Copy of the publication in the Official Journal of the primary legislation (Law 4964/2022 (Official Journal A 150/30.07.2022), “Provisions to simplify environmental licensing, establish a framework for the development of Offshore Wind Farms, address the energy crisis, protect the environment and other provisions”). The Law constitutes the legal framework for offshore wind projects, while solar floating PV projects are covered by evidence n.5.

For the Market Monitoring Mechanism:

7. Summary document signed by RAE confirming that the market monitoring system is fully operational.
8. Technical Memo describing the specific market functions monitored by the tool, the processing of data that takes place and the reporting capabilities of the mechanism has been provided by RAE.

For the Demand Side Response:

9. Summary document of IPTO (Greek Independent Power Transmission Operator) certifying the full participation of demand in the balancing market.
10. Regulatory framework setting up the technical specifications of DSR participation: RAE decision on the Balancing Market Code amendment; RAE decision on reference load (baseline) calculation methodology – mFRR; IPTO technical decisions concerning the prequalification test, registration procedures to IPTO’s registry, the integrated scheduling process, mFRR, aFRR and dispatch instructions.

The authorities also provided:

11. Sample of the Market Monitoring Mechanism Report (date of reference 16.12.2021 and date of export 31.8.2022) provided by RAE.

Analysis:

For the RES licensing simplification:

In line with the requirements of the Council Implementing Decision, the authorities have adopted primary and secondary legislation (evidence n.2, 3 and 5) that, together with the Decision from RAE (evidence n.4), simplifies the licensing procedure by digitalisation and acceleration of the relevant procedures:

- Law 4685/2020 (evidence n.2) entered into force on 7 May 2020, as provided by article 136 and it significantly accelerates the first phase of the licensing process (production of licenses). Art. 11, paragraph 2 of the Law established the Electronic Registry of Electricity Production Certificates and designates RAE to be the competent body for the first phase of licensing (issuance of Production Certificate);
- Ministerial Decision 114746/4230 (evidence n.3) entered into force on 1 December 2020, as provided by article 136 and it exemplifies and details various specific provisions of Law 4685/2020;

- RAE Decision 456/2022 (evidence n.4) adopted on 26 May 2022 sets out the deadlines and the conditions for the round of applications to the Electronic Registry for the electricity production from RES and CHP for the applications' submission cycle of June 2022, indicating the full operation of the Electronic Registry established by Law 4685/2020;
- Concerning the second phase of the licensing process (spanning from the submission of an application to the competent network operator for the issuance of a Final Connection Offer to the issuance of the Operational License), Law 4951/2022 (evidence n.5), entered into force on 4 July 2022, as provided by article 173 and it requires actions for obtaining licenses to be carried out digitally, the supporting documents required by the investors to be significantly reduced, while processes that until now were conducted serially are to be carried out simultaneously, significantly reducing implementation times. In particular, the simplification of procedures is guaranteed by articles 4, 5, 8, 15, 17, 18, 20, 22, 25, 29, 38 and 39 of Law 4951/2022. The digitalisation of procedures is guaranteed in particular by articles 5, 15, 17, 28, 39, 40, 41 of the same Law. The Law guarantees short and binding administrative response times by setting mandatory short deadlines for different issuing bodies across the licencing and accountability procedures, such as clearly identifying responsibilities and sanctions, for unnecessary delays in line with the requirements of the Council Implementing Decision, as set out in articles 5, 6, 8, 15, 17, 25, 26, 27 and 28. The reduction of the necessary documentation and procedures is guaranteed by articles 5, 8, 17 and 28 of the Law. This considered, the adoption of Law 4951/2022 guarantees the reduction of the stages of the licensing process from 7 to 5 and the number of required documents is reduced from 91 to 54, with their submission now being standardized and digital, aiming for a licensing time of the projects to be reduced from 5 years to 14 months.

For the framework for offshore RES plants:

In line with the Council Implementing Decision requirements, Law 4964/2022 (evidence n.6) entered into force on 30 July 2022, as provided by article 201. It sets out a comprehensive framework for the deployment of offshore wind projects to kick-start the offshore wind sector in Greece. Law 4951/2022 (evidence n.5), that entered into force on 4 July 2022, sets out a legislative framework for the development of pilot offshore solar PV project.

For the Market Monitoring Mechanism:

In line with the Council Implementing Decision requirements, a Market Monitoring and Surveillance Mechanism was established by RAE. This was done through the implementation of three pillars:

- Automated collection of data by the competent bodies and operators of the individual markets, using digital interoperability processes between their systems and RAE's systems for the timely and standardized reception of data.
- Automation of the processing of this data in order to produce both statistical results and predefined indicators, as well as the graphical representation of the data in an efficient manner.
- Automated preparation of predetermined reports in various observation periods (daily, monthly, annually) in order to monitor in a consistent and efficient manner the operation of the markets, contributing to better information and decision-making by RAE.

The first pillar has been fully operating since the end of 2021, while the other two pillars were implemented in the course of 2022. Evidence n.7, the summary document signed by RAE confirms that the market monitoring system is operational and explains the operation of the Market Monitoring Tool, while the Technical Memo (evidence n.8) describes in detail the technical

specifications and the capabilities of the tool. Finally, a sample of the output report produced by the tool was provided by RAE as a further justification of the functioning of the mechanism (evidence n.11).

For the Demand Side Response:

In line with the Council Implementing Decision requirements, the full participation of Demand Side Response in the balancing market has been guaranteed by the establishment of the full regulatory framework concerning the instrument (evidence n.10). The regulatory framework consists of technical decisions on the functioning of the mechanism issued by the Greek Independent Power Transmission Operator IPTO, which is the competent supervisory body, and decisions amending the Balancing Market Code issued by RAE. In addition, an electronic platform was set up and became fully operational following a pilot phase as announced by IPTO on 27 July 2022, stating that the participation of Demand Side Response in the Balancing Market platform went live. This was certified by IPTO through the summary document (evidence n.9).

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 009	Related Measure: Revitalization actions of the most affected territories (Just transition territories) (Measure ID: 16871)	
Name of the Milestone: Land rehabilitation — framework law		
Qualitative Indicator: Entry into force		Time: Q1 2022
Context: The objective of this investment is to support the land rehabilitation in the areas of former lignite mines in Western Macedonia and Megalopolis (Just Transition Areas). In particular, this is done through environmental and economic interventions, such as soil remediation, redevelopment and implementation of interventions regarding landscape and environment restoration, readjustments in land uses, and the creation of organised receptors of activities. The special purpose vehicle (SPV) established by Greece as the land developer shall be responsible for the financing and for carrying out the sanitization, restoration, rehabilitation and upgrading works in the Just Transition Areas. The milestone consists of the approval and entry into force of the Framework Program Contract Law determining the geographical areas to be transferred from the Public Power Corporation (PPC) to the State, the content of the projects’ studies, the division of responsibilities between all involved parties, the governance arrangements, the implementation schedule and the budget. The milestone represents the first stage of the measure and it is followed by milestone #10 (due in Q2 2023) that concerns the approval of Special Urban Plans by all municipalities involved and the notification of award of contracts for Land rehabilitation in Western Macedonia and Megalopolis. The final target of this measure is target #15 (due in Q4 2025) and it concerns the completion of land rehabilitation projects in Western Macedonia and Megalopolis.		
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. 2. Copy of the publication in the Official Journal (Law 4956/2022 (Official Journal A		

140/19.07.2022)) of the Law "Ratification of the Programme Agreement of par. 4 of article 155 of Law No. 4759/2020 between the Greek State and the public limited companies METAVASI S.A. and PPC S.A."

3. Copy of the publication in the Official Journal of secondary legislation (Ministerial Decision of Minister of Environment and Energy Δ POLS 79418/2098 (Official Journal B 4044/02.09.2021), "Technical specifications for studies of Special Urban Plans (SPP) concerning the Lignite Phase-out Zones (ZAP)."
4. Three technical pre-approval studies related to the project, one for each Special Urban Plan and conducted in July 2022.
5. Assessment of the value of the lands to be transferred, conducted on 31 July 2022 by an Independent Appraiser.

The authorities also provided:

6. Copy of the publication in the Official Journal (L. 4759/2020 (Official Journal A 245/09.12.2020)) of the law "Modernisation of the spatial and urban-planning and other provisions".
7. Copy of the publication in the Official Journal (L. 4872/2021 (Official Journal A 247/10.12.2021)) of the Law "Just Development Transition, regulation of more specific issues of lignite phase-out and other urgent provisions".
8. M.O.U. (Memorandum of Understanding) signed on 22 July 2022 by the three contracting parties (PPC S.A., the Greek Ministry of Development and Investments and METAVASI S.A.), concerning the geographical areas that may be transferred at later stage if the provisions included are fulfilled.
9. A study prepared in July 2022 by PPC S.A. accompanied with an official agreement statement of the President and CEO of PPC S.A. detailing the cost of the rehabilitation works and its geographical and annual allocation (budget).

Analysis:

In line with the requirements of the Council Implementing Decision, the Framework Program Contract Law, i.e. Law 4956/2022 (evidence n.2) entered into force on 19 July 2022, as provided in article 2. The Law puts into effect article 155(4) of Law 4759/2020 (evidence n.6), which mandated that the Framework Programme Contract related to the rehabilitation of works in the areas of former lignite mines in Western Macedonia and Megalopolis would be signed between the Greek State, METAVASI S.A. and Public Power Company (PPC) S.A. and it would be ratified by Law. The Framework Programme Contract was signed on 7 July 2022 between the Greek State, represented by the Deputy Minister of Development and Investments, and the public limited companies "METAVASI S.A." and "PPC SA" and entered into force through Law 4956/2022 on 19 July 2022. The contract sets out the relevant obligations of contracting parties, together with conditions and provisions related to the rehabilitation measure. METAVASI S.A. is the special purpose vehicle (SPV) which has been established by Greece through Law 4872/2021 (evidence n.7) as the new rightful owner and land developer of the transferred geographical areas.

The Framework Programme Contract regulates the terms and conditions for the transfer of the shares of the subsidiary company "METALIGNITIKI S.A.", from "PPC S.A." to the company "METAVASI S.A.", defining issues related to the value of its assets, the content of the restoration works that "PPC S.A." shall implement, the lands that will be used after the decommissioning of lignite and the relevant obligations of the Contracting Parties. In particular, as required by the Council Implementing Decision, the Framework Programme Contract ratified by the Law, thereby constituting a Framework Program Contract Law, determines:

- The geographical areas to be transferred from the PPC S.A. to the Greek State through the Special Purpose Vehicle (as set out in the preamble, Annex 1,2 and 3)
- The division of responsibilities between all the contracting parties (articles 4 and 6)
- The governance arrangements (articles 3, 4, 5, 6, 7, 8, 9, 10 and 11)
- The implementation schedule (Annex 2)
- The budget (article 4).

Regarding the budget, Article 4 of the Framework Programme Contract sets out a ceiling for the total budget, by providing that the cost of rehabilitation works cannot exceed the value of the reimbursement of the transaction (i.e., the amount due for transfer of shares of METALIGNITIKI S.A. and, consequently, the land from PPC S.A to METAVASI S.A.) . Article 4 also provides that the value of the land to cover the transaction value shall be calculated by an independent evaluator appointed jointly by the parties (evidence n.5). Additionally, a study prepared by PPC S.A. in July 2022 (evidence n.9) further breaks down the cost of the restoration works, as well as the allocation by year and by area. This study has been validated by an official statement of the President and CEO of PPC S.A., which confirms the parties' agreement on the content of the study.

Three technical pre-approval studies of the Special Urban Plans (evidence n.4) have been drawn up (and provided by the authorities), one for each Special Urban Plan in line with the Council Implementing Decision requirement. These studies define the different land uses of the transferred lands, in addition to the building conditions and restrictions for the area.

The Council Implementing Decision required the Framework Program Contract Law to determine the content of the project studies. The project studies have been drawn in accordance with the Ministerial Decision of the Minister of Environment and Energy Δ POLS 79418/2098 (Official Journal B 4044/02.09.2021), which sets out the technical specifications (including the content) for studies of special urban development plans relating to the de-lignification zones. Whilst the content of the projects studies has been determined through different legislation (M.D. 79418/2098) than the Framework Program Contract Law, constituting a minimal formal deviation from the requirement of the Council Implementing Decision, it is considered that this does not affect the progress towards the achievement of the investment that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

In line with the requirements of the Council Implementing Decision, land rehabilitation interventions, such as soil remediation, interventions regarding landscape and environment restoration are set out in pages 5 and 6 of the study prepared by PPC S.A. in July 2022. Readjustments in land uses are related to milestone 10. Redevelopment actions, the creation of organised receptors of activities and other economic interventions can be conducted after the conclusion of the rehabilitation works. These repurposing actions will be designed and financed by the Just Transition Fund. In line with the requirements of the Council Implementing Decision, the implementation of this investment will be managed by a special purpose vehicle (METAVASI S.A.) which has been established through article 15 of Law 4872/2021 (evidence n.7).

In line with the requirements of the Council Implementing Decision, the governance arrangements included in the Framework Programme Contract, ratified by Law 4956/2022, which has been mutually agreed by the signing parties, set out that METAVASI S.A. becomes the new rightful owner and land developer of the transferred geographical areas. The special purpose vehicle (METAVASI S.A.) will be responsible for the financing of the sanitization, restoration, rehabilitation and upgrading works (as set out in article 5 of the Framework Agreement). Furthermore, according to

Article 4.3. of the Framework Program Contract, METAVASI S.A. will also be responsible for carrying out of the above-mentioned works, since it will ultimately have to be liable vis-a-vis the final contractors and supervise the implementation process by mandating the tendering of the works to PPC, and then receiving the rehabilitated lands after the certification of the proper performance of the restoration tasks procedure by an independent body has been successfully completed, as set out in article 6.5.3 of the same Framework Programme Contract, ratified by Law 4956/2022.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 044	Related Measure: Electromobility (Measure ID: 16924)	
Name of the Milestone: Public transport – implementation of new market regulation for Public Service Obligation (buses)		
Qualitative Indicator: Entry into force of revised legal framework.		Time: Q4 2021
Context: The objective of this reform is to put in place a revised legal framework for public service obligations for bus companies in line with current EU legislation in particular, with Regulation (EC) 1370/2007 on public passenger transport services by rail and by road, which was adopted on 3 December 2007, and the transitional period for its Article 5 (sets out the requirements to award public service contracts by rail and by road) expired on 3 December 2019. The revised legal framework shall establish the overarching criteria for future passenger transport service procurement and also enable bus companies to securely invest in greener public transport vehicles. Milestone #44 requires the entry into force of primary legislation required to ensure compliance of the national legislation with the Regulation (EC) 1370/2007 on public passenger transport services by rail and by road. The new law shall cover the following: (a) the continuous supply of public urban and regional road passenger transport (scheduled and of fixed route); (b) the design, organization and operation of the associated transport networks; (c) provision of high quality public road transport at the lowest cost possible; (d) regulating the process of granting exclusive rights to operate public regional and urban routes (scheduled and of fixed route); and (e) regulating the level of compensation for the provision of the aforementioned services. The law shall also establish the overarching criteria for future passenger transport service procurement and also enable bus companies to securely invest in electric public transport vehicles. This reform is part of a broader measure which promotes investments in electro-mobility in line with the objectives of Greece’s National Energy and Climate Plan. Beyond this milestone, there are six more milestones (Milestones #45, #47, #48, #49, #52 and #55) that are associated with this measure. One of these (Milestone #45, due in Q3 2022) is directly linked with this milestone’s reform, as it will put in place the secondary legislation required to implement the new legal framework.		
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Copy of <u>Law 4974/2022, Official Journal A 185/29.09.2022, “Provisions on public inter-urban and urban regular carriage of passengers by road. Re-organization of OSE S.A. and ERGOSE companies S.A. and other provisions”</u> 2. Summary document duly justifying how the milestone (including all the constitutive elements		

was satisfactorily fulfilled.

Analysis:

In line with the requirements of the Council Implementing Decision to revise the legal framework for public service obligations for bus companies in accordance with current EU legislation, Greece adopted Law 4974/2022 (Official Journal A 185/29.09.2022). In line with the requirements of the Council Implementation Decision, Law 4974/2022 entered into force on 29 September 2022, as provided by Article 62.

This law includes a number of articles that are relevant for the market regulation of public urban and regional passenger transportation services in compliance with the Regulation (EC) 1370/2007 on public passenger transport services by rail and by road. In particular, the following legislative provisions relate to this milestone:

Article 24 of Law 4974/2022 sets out that the competent authority can take emergency measures to avoid disruption of services or the immediate risk of such a situation. Article 4 of Law 4974/2022 defines what is covered by public urban and regional road passenger transport under this Law, which includes both scheduled and fixed routes. These provisions are well aligned with the Regulation (EC) 1370/2007 (Article 5, point 5) and ensure the continuous supply of public urban and regional road passenger transport for scheduled and fixed routes.

Articles 9-11 of Law 4974/2022 set out how the design, organisation and operation of associated transport networks will be carried out. In particular, the articles set out specific rules related to the design of the public interurban and urban regular passengers' road transport network. Further, relevant responsibilities regarding the design and control of the interurban and urban transport network are assigned to the General Directorate of Transport (part of the Ministry of Infrastructure and Transport), to the regional administrations and to the regional units, as set out in Article 5 of Law 4974/2022. The articles 9-11 regulate responsible bodies assigned to oversee the design, organisation and operation of the associated transport networks.

Article 1 of Law 4974/2022 sets the obligation to provide high-quality public road transport at the lowest cost possible, which is identified as the overall objective of this law. Furthermore, Article 15 of Law 4974/2022 provides for maximum passenger and luggage charging, in accordance with the Regulation (EC) 1370/2007. This regulates the provision of high-quality public road transport at the lowest cost possible.

Article 8 of Law 4974/2022 defines the responsibility of the assigned competent authority to procure the public interurban and urban regular passengers road transport service. The competent authority is mandated to procure these services by granting exclusive right to provide the services and compensation, if deemed necessary to ensure the continuous supply of regular public road passenger transport at the specified level of minimum requirements, in accordance with the in of Regulation (EC) 1370/2007 (Articles 5 and 6). Article 4 of Law 4974/2022 defines what is covered by public urban and regional road passenger transport under this Law, which includes both scheduled and fixed routes. This regulates the process of granting exclusive rights to operate public regional and urban routes for scheduled and fixed routes.

Article 16 of Law 4974/2022 regulates the level of compensation for the provision of public interurban and urban regular passengers' road transport service. The article refers to Articles 4 and 6 as well as the Annex of Regulation (EC) 1370/2007, on how the compensation is calculated. This regulates the level of compensation for the provision of the aforementioned services.

Articles 17-20 of Law 4974/2022 set out provisions on the procurement process to award public service contracts. Article 17 of Law 4974/2022 sets out the conditions that each candidate needs to meet to take part in the procurement process, including guarantees to be provided. Article 18 of Law 4974/2022 sets out the elements each offer needs to contain. Article 19 of Law 4974/2022 sets out the overarching principles on how the assessment of the submitted offers will be carried out. Article 20 of Law 4974/2022 sets out provisions relating to the public service contract that the awarded candidate will sign, including that a mobilisation period is foreseen of six months for operating the buses and 12 months to secure access to all service stations. An amendment to Article 17 (Article 5 of Law 4991/2022, Official Journal A 212 /14.11.2022) was made, in order to make it fully coherent with the mobilisation period, as set out in Article 20. The same amendment also clarified that the entirety of the organisational requirements for the launch of the tender, as specified in Article 14, are to be considered for the contract award conditions that are specified in the tender documents. All provisions of Law 4991/2002, including its Article 5, entered into force on 14 November 2022, as provided by Article 6. The above articles along with the amendment set out the overarching criteria for future passenger transport service procurement, which will ensure a non-discriminatory and transparent process, thereby enabling bus companies outside Athens and Thessaloniki to securely invest in electric public transport vehicles, as set out in the description of Measure #16924 in the Council Implementing Decision.

Article 15 of Law 4974/2022 sets out variables that are to be considered when defining the bus transportation needs of each region. These variables include estimated length of the bus service or the required number of buses and economic viability of the contractor. The compensation for the contractor that will be awarded the public service contract in a specific region will be determined on this basis, and will be elaborated in detail in the tender documentation for these public service contracts. This provides the basis for region-specific criteria that take into account the transportation needs of each region and will be applied to fine-tune the procurement process.

Article 14 (point 7a) of Law 4974/2022 sets out that the tender documents are to specify the type of vehicle and its environmental performance, in order to promote the introduction of electric and/or greener/low-polluting vehicles in the bus fleet of the new operators. Depending on the route (e.g. length), the appropriate technology (e.g. electric vehicles) is to be set out in the respective tender documents. Article 14 together with Article 15, as set out above, provide a basis to enable bus operators to securely invest in electric public transport vehicles, as set out in the description of Measure #16924 in the Council Implementing Decision, and in accordance with Regulation (EC) 1370/2007.

Article 3 (point 2a and 2b) of Law 4974/2022 states that regular public urban transport operations in Athens and Thessaloniki are exempted from this law, which is consistent with the description of Measure #16924 in the Council Implementing Decision.

The assessment of the compliance with Regulation (EC) 1370/2007 for the purposes of payments from the Recovery and Resilience Facility does not prejudice the assessment by the Commission in any other proceedings regarding the conformity of the national law with the Regulation.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 130	Related Measure: Digital Transformation of SMEs (Measure ID: 16706)
Name of the Milestone: Digital transformation of SMEs - calls for proposals	

Qualitative Indicator: Published call for proposals	Time: Q1 2022
The objective of this investment is the development and provision of appropriate digital tools (products and services) for Greek small and medium-sized enterprises (SMEs) in the areas of (a) electronic payments and sales, (b) industrial data platforms and (c) cash registers and Point of Sale (POS) ecosystem upgrade. This is to be achieved through the establishment of a central supporting mechanism for SMEs facilitating the provision of training and awareness programs, ultimately aiming to support the digital transformation of Greek SMEs as well as to enhance transparency and healthy competition. The investment shall comply with the Do No Significant Harm Technical Guidance, as well as a list of selection/eligibility criteria targeted towards specific technologies and services. Milestone #130 requires the launch of competitive calls for proposals for funding through a voucher scheme for the Digital Transformation of Businesses (subproject 1), Industrial Data Platforms and Data Spaces (subproject 2) and Cash Registers and POS ecosystem upgrade (subproject 4), with terms of reference including eligibility criteria that ensure that the selected projects comply with the Do No Significant Harm Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. This milestone (#130) is the first one for this investment. The next and final milestone (#131) (due in Q2 2025) concerns the completion of the project through the selection of beneficiaries and delivery of equipment and services to SMEs under the competitive calls for proposals.	
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: - Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled; - Calls for application: - For Subproject 1: Ref. No. 10286 / 10.6.2022 of Information Society SA (ΚτΠ Μ.Α.Ε.) Call for proposals for funding for inclusion in the program "Digital SME Tools"; - For subproject 2: Ref. No. 10285 / 10.6.2022 of Information Society SA (ΚτΠ Μ.Α.Ε.) Call for proposals for funding for inclusion in the program "Development of Digital Products and Services"; - For Subproject 4: Ref. No. 10284 / 10.6.2022 of Information Society SA (ΚτΠ Μ.Α.Ε.) Call for proposals for funding for inclusion in the program "Digital Transactions" of axis 2.3 "Business Digitization"; - For Subprojects 1, 2 and 4: Joint Ministerial Decision by the Ministry of Finance and the Ministry of State No 3345/2.6.2022 (Official Journal B2798/6.6.2022) 'Terms and arrangements relating to the action 'Digital Transformation of Small and Medium-sized Enterprises'. - Document justifying that the technical specifications of the call are fully aligned with the description, criteria and conditions as set out in the description of the investment and milestone justification of the Council Implementing Decision. The authorities also provided: - A copy of a Joint Ministerial Decision of the Ministry of Finance and the Ministry of State No 3345/2.6.2022 (Official Journal B 2798/06.06.2022) <i>"Terms and conditions related to the Action "Digital Transformation of Small and Medium Enterprises", on the implementation of</i>	

the Action "Digital Transformation of Small and Medium Enterprises", of the National Plan for Recovery and Sustainability Greece 2.0 (Measure ID 16706)."

Analysis:

In line with the requirements of the Council Implementing Decision, Greece launched the digital platform managing applications and functioning as a marketplace to connect suppliers of digital products with the beneficiaries of the subprojects 1, 2 and 4 on 22 June 2022. As of that date, applications for the subprojects can be submitted via the platform (<https://digitalsme.gov.gr/>). The details regarding applications are published through a call for applications per subproject (Subproject 1 10286 / 10.06.2022, Subproject 2 10285 / 10.06.2022, Subproject 4 10284 / 10.06.2022) and the terms and conditions for all three subprojects were adopted via the Joint Ministerial Decision (OJ B 2798/06.06.2022). This fulfils the requirement of having published the calls and shows applications can be submitted for the voucher scheme for the subprojects 1, 2 and 4. The calls for subproject 1, 2 and 4 can be considered competitive as the eligibility criteria concern elements that are directly relevant for the measure, such as the size of company and do not restrict the competition.

The provisions to ensure compliance with the Do No Significant Harm technical guidance are taken up by the eligibility criteria in line with the requirements of the Council Implementing Decision. For subproject 1, they can be found in section 2.1 of the call 10286 / 10.06.2022. For subproject 2, they can be found in section 2.1 as well as in Annex 1 of the call 10285 / 10.06.2022. For subproject 4, the Do No Significant Harm exclusions can be found in section 2.1 of Annex I of the call 10284 / 10.06.2022 setting out the eligibility criteria as well as section 16 providing further details regarding SMEs that are not eligible. The compliance with the Do No Significant Harm principle is also included in the Joint Ministerial Decision Official Journal B2798/6.6.2022, in paragraph 29 in general as well as in article A3.

The products and service categories applicable to subproject 1 are covered by the call for application 10286 / 10.06.2022 in line with the requirements of the Council Implementing Decision. More specifically, the call states on page 5 and in section 1.1 of Annex 1 that SMEs will be supported to modernize their productive, commercial and administrative operations, to upgrade the way of communication and cooperation and introduce new forms of hybrid work, to digitalize electronic transitions, including e-commerce and to increase the level of security and trust in electronic transactions. Furthermore, the call includes a detailed list of product and services categories that can be supported under the call in Annex 1 section 5.2. These include e-payment, e-sales and e-invoicing applications, tools for digital advertising, systems for teleworking, business analytics, digital upskilling, backup and disaster recovery services, artificial intelligence, Internet of Things, supply of integrated solutions for contactless service, cybersecurity systems, cloud infrastructures and services.

The industrial data platform templates and software applicable to Subproject 2, are covered by the call for application 10285/ 10.06.2022 in line with the requirements of the Council Implementing Decision . More specifically, the call describes the support for the development of new digital products from a preparatory activity such as feasibility studies to the complementary commercialization activities of a new digital product in section 1.1 of the call and further specifies the eligible actions in section 3.1 of the call. Annex 1 specifies further which activities can be funded under the subproject.

The cash registers and POS ecosystems upgrades applicable to Subproject 4, are covered by the call for application 10284/10.06.2022 in line with the requirements of the Council Implementing Decision. More specifically, the call specifies that the aim of the support program is to support SMEs

to adopt modern digital tools supporting the procedures for invoicing, issuing tax documents and making electronic payments. Section 5.2 of the call further details the categories of products and services that are eligible under subproject 4 covering support for cash registers and POS ecosystems upgrades as outlined in the call for applications.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 138	Related Measure: A New Strategy for Lifelong Skilling: Modernising and Upgrading Greece's Upskilling and Reskilling System (Measure ID: 16913)	
Name of the Milestone: Lifelong learning strategy entry into force of legislation		
Qualitative Indicator: Entry into force of primary and secondary legislation		Time: Q2 2022
Context: The objective of the reform is to increase the quality and labour market relevance of the national lifelong learning framework. To that end, the reform shall allow for better monitoring and meeting the demand needs of the labour market through the modernization, upgrade and interconnection of existing datasets of different ministries and agencies, including the Labour Market Diagnosis Mechanism established in 2016. The reform shall also set up a National Skills Council as a central supervisory body, lifelong skilling accounts for training participants, a national eligible training provider list and evaluation framework (scorecard), and a labour market diagnosis mechanism. The measure also concerns an investment in horizontal upskilling programmes targeting various population groups and aimed at providing baseline and medium-level digital skills, green skills and financial literacy skills. This milestone (#138) is an initial step under this measure and requires the adoption of a National Strategy for Lifelong Learning and the entry into force of primary and secondary legislation setting out the key elements of the new lifelong learning framework, including provisions to establish the National Skills Council as a central supervisory body, to set up lifelong skilling accounts, a national eligible training provider list and scorecard, and a labour market diagnosis mechanism. The milestone is followed by two targets related to the completion of training programmes on digital, green and financial literacy skills for at least 150 000 and 500 000 participants respectively, whereby acquired skills should be validated and certified for all successful participants. First target is expected to be met by Q4 2022 (#139) and the second one by Q4 2025 (#140).		
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Decision of the Minister of Labour approving the national Strategy for Lifelong Learning (National Skills Strategy) (Decision No 62515/04.07.2022 published on DIAVGEIA government portal with ID number ΨBH946MTAK-903, copy of the adopted Strategy, and link to the website where the Strategy can be accessed (https://www.dypa.gov.gr/nationalskillsstrategy) 2. Copy of the publication in the Official Journal of primary legislation (Law 4921/2022, Official Journal A' 75/18.04.2022), '<i>Jobs again: Reorganisation of Public Employment Service and digitalisation of its services, upskilling of the labour force and diagnosis of labour market needs and other provisions</i>', reforming the national lifelong learning framework among		

others.

3. Decision by Minister of Labour and Social Affairs appointing the members of the National Skills Council (Decision No. 63789, Official Journal Y.O.D.D. 562/07.07.2022)
4. Decision by Minister of Labour and Social Affairs setting up a labour market diagnosis mechanism (Decision No 65106, Official Journal B' 3649/11.07.2022)
5. Joint Decision of Ministers of Labour and Social Affairs and Digital Governance setting out the implementation aspects of the Individual Skilling Accounts (ISAs) (Decision No 69943, Official Journal B' 3943/25.07.2022)
6. Joint Decision of Ministers of Labour and Social Affairs and Finance on the maximum amount of skilling rights allowed through the ISAs (Decision No 79305, Official Journal B' 4586/30.08.2022)
7. Decision of the Minister of Labour on the eligibility criteria of training providers of subsidised continuing vocational training and their evaluation framework (Scorecard of the National Eligible Training Provider List) (Decision No 65809, Official Journal B' 3703/13.07.2022)
8. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.

The authorities also provided:

1. Decision of Secretary General for Employment at Ministry of Labour and Social Affairs (No 2.4645/29.09.2022 uploaded on DIAVGEIA government portal with ID number ΨΜ9Κ46ΜΤΛΚ-ΖΦΚ) on the contract award of an ESF-financed project aimed at upgrading the business and operational capabilities of the labour market diagnosis mechanism over the period 2021-23.
2. Decision of Secretary General for Employment at Ministry of Labour and Social Affairs (No 2.4777/04.10.2022 uploaded on DIAVGEIA government portal with ID number ΨΑΗΧ46ΜΤΛΚ-ΝΟΔ) on the contract award of an ESF-financed project aimed at upgrading the analytical capacities of the labour market diagnosis mechanism and at developing an integrated data management system over the period 2021-2023.

Analysis:

In line with the requirements of the Council Implementing Decision, a National Strategy on Lifelong Learning (National Skills Strategy) setting out the broader strategic framework for the reform was adopted by the Minister of Labour and Social Affairs on 4 July 2022, as envisaged by Article 80§2 of primary Law 4921/2022, and became publicly available through a government website. Moreover,

a) The Council Implementing Decision requirement about *the establishment of a new governance structure, the National Skills Council, as a central supervisory body that shall be based in the Public Employment Service (formerly OAED and currently DYPA) and be responsible for the design of an annual update of the National Skills Strategy* is met by Article 26§3, Article 27§1 and Article 27§2 of primary Law 4921/2022 (Official Journal A 75) that entered into force on the date of its publication in the Official Journal (18 April 2022) as provided by Article 82 of the same Law, as well as by Decision No 63789 of the Minister of Labour and Social Affairs (Official Journal Y.O.D.D. 562) that entered into force on 7 July 2022. Notably, Articles 27§1 and 27§2, of primary Law 4921/2022 provides for the setting up of a National Skills Council that should have as responsibilities, among other things, the drafting of the national Skills Strategy and be headed by the Governor of Public Employment Services (DYPA). According to Article 26§3 of the same Law, the Strategy should be reviewed and updated at least once per year. Finally, Decision No 63789 of the Minister of Labour and Social Affairs appointed the members of the National Skills Council and their alternates as envisaged by Article 27§2 of the primary law.

b) The Council Implementing Decision requirement about *the setting up of lifelong skilling accounts*

which is expected to serve as the main tool for providing ongoing training depending on individualised needs is met by i) Articles 35, Article 79§8 and Article 79§9 of primary Law 4921/2022 (Official Journal A 75) that entered into force on 30 August as provided by Article 82§3 of the same Law; ii) Joint Decision No 69943 of the Minister of Labour and Social Affairs and the Minister of Digital Governance (Official Journal B 3943) that entered into force on 25 July 2022 as provided by Article 9 of the same Decision; and iii) Joint Decision No 79305 of the Minister of Labour and Social Affairs and the Minister Finance (Official Journal B 4586) that entered into force on 30 August 2022 as provided by Article 3 of the same Decision. Notably, Article 35 of primary Law 4921/2022 provides for the setting up of individual lifelong skilling accounts (ISAs) for all training participants that will contain information on all previously followed training programmes and be credited with a certain amount of subsidised continuing vocational training rights. Moreover, as provided by Article 79§8 of the primary Law 4921/2022, the Joint Ministerial Decision 69943 sets out the key parameters for the filling in and verification of ISAs and other technical details for their implementation. In particular, it defines the methodology for the calculation of training rights to be granted to ISAs users that takes into account individualised training needs as reflected in information about the user's educational and professional background, prior training experience, gender, age, the duration of unemployment (in case of unemployed persons). Finally, as provided by Article 79§9 of the primary Law 4921/2022, the Joint Ministerial Decision 79305 sets out the maximum number of subsidised continuing vocational training rights that a participant could be entitled to.

c) The Council Implementing Decision requirement about *the setting up of a national Eligible Training Provider List and Scorecard that shall apply minimum inputs-based quality criteria on trainers* is met by Articles 36, 37, 38 and 79§10 of primary Law 4921/2022 (Official Journal A 75) that entered into force on 12 July 2022 as provided by Article 82§3 of the same law, as well as by Decision No 65809 of the Minister of Labour and Social Affairs (OGG B' 3703) that entered into force on 12 July 2022 as provided by Article 2 of the same Decision. Notably, Article 36 of the primary Law 4921/2022 sets out minimum inputs-based eligibility criteria for training providers of subsidised continuing vocational training, including the availability of e-learning training courses and IT equipment and the implementation of internal evaluation procedures for offered training programmes. Moreover, Article 37 provides for the setting up of a national training provider list that fulfils the eligibility criteria of Article 36, and Article 38 sets out an outputs-based evaluation framework for training providers (Scorecard) that uses scores from 1 to 5 to assess training providers' performance based on trainees' employment and professional development outcomes among others. As envisaged by primary law Article 79§10, Decision No 65809 of the Minister of Labour and Social Affairs further specified the eligibility criteria of the national training provider list and the evaluation framework of training providers, including by setting human resource, prior professional experience and turnover standards as additional minimum inputs-based criteria, and by listing the evidence needed for the implementation of the evaluation framework (Scorecard).

d) The Council Implementing Decision requirement about *the setting up of a labour market diagnosis mechanism* is met by Article 29, Article 30§4 and Article 31 of primary Law 4921/2022 (Official Journal A 75) that entered into force on the date of its publication in the Official Journal (18 April 2022) as well as by Decision No 65106 of the Minister of Labour and Social Affairs (OGG B' 3649) that entered into force on 11 July 2022. Notably, Article 29 of primary law 4921/2022 modified Article 80 of Law 4826/21 that set up a Unit of Employment, Social Security, Welfare and Social Affairs Experts under the Ministry of Labour and Social Affairs (MEKY) by adding to its mandate i) the diagnosis of the needs of the labour market in terms of current and future skills through the collection, for this purpose, of data from social partners as well as public and private sector stakeholders; and ii) the proposing of active and passive labour market policies to remedy skills mismatch challenges identified in the context of the labour market diagnosis mechanism. Moreover, Article 31 of primary law set out the scope and objectives of the labour market diagnosis

mechanism, including the mapping and forecasting of labour market needs in terms of skills at national, regional and sectoral level. Finally, as envisaged by Article 30§4 of primary law 4921/2022, Decision No 65106 of the Minister of Labour and Social Affairs sets out the methodology on the basis of which the cooperation between MEKY with all the aforementioned stakeholders should take place for the purpose of collecting data and exchanging views in the framework of the labour market diagnosis mechanism.

e) The Council Implementing Decision requirement about *better monitoring and meeting the demand needs of the labour market through the modernization, upgrade and interconnection of existing datasets of different ministries and agencies, including the Labour Market Diagnosis Mechanism established in 2016*, is met by Article 30 of primary Law 4921/2022 (Official Journal A 75) that entered into force on the date of its publication in the Official Journal (18 April 2022) as well as by Decision No 65106 of the Minister of Labour and Social Affairs (OGG B' 3649) that entered into force on 11 July 2022. Notably, Article 30 of primary Law 4921/2022 provides that the Unit of the Ministry of Labour and Social Affairs that runs the Labour Market Diagnosis Mechanism and monitors the demand needs of the labour market (MEKY) has access to the datasets of the information systems of all relevant ministries and agencies (including the Ministry of Labour and Social Affairs and its agencies, the Ministry of Developments and Investments, the Ministry of Tourism, and the Ministry of Education and Religious Affairs). Decision No 65106 of the Minister of Labour and Social Affairs (Article 2) sets out the scope and content of the datasets of all above ministries and agencies in line with latest labour market monitoring needs as well as their level of analysis (national, regional, local, sectoral or profession-level). According to Article 4 of the same Decision, the datasets of the above ministries and agencies, which should also be in line with data protection rules in force (through anonymisation/pseudoanonymation processes), are interconnected through the centralised database of the information system of the Labour Market Diagnosis Mechanism.

In line with the requirements of the Council Implementing Decision, all four reform elements described above allow to contribute to better monitoring and meeting the demand needs of the labour market by increasing the quality and labour market relevance of the national lifelong learning framework. Notably, the more systematic mapping and forecasting of skills needs by the labour market diagnosis mechanism at national, regional and sectoral level based on key stakeholder input (described under element d and e) that will feed into the national Skills Council's decisions concerning the future provision of training programmes (element a) combined with the implementation of individual skilling accounts for training participants that consider individualised training needs (element b) are expected to increase the labour market relevance of the lifelong learning framework. Moreover, the implementation of inputs-based eligibility criteria and ex-post outputs-based evaluations of training providers (element c) are expected to improve the quality of the lifelong learning framework.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 174	Related Measure: Disability (Measure ID: 16904)	
Name of the Milestone: Completion of second phase personal assistance disability assessment		
Qualitative Indicator: Entry into force of primary and secondary Legislation (Official Journal reference) and publication of notice for call for applications for Personal Assistance scheme.		Time: Q1 2022
Context: The reform consists of two sub-projects aiming at enhancing social inclusion, independent living,		

employability and early childhood intervention for persons with disabilities. These subprojects notably pertain to a) enhancing independent living for persons with disabilities, accessibility and support infrastructure for people with mobility and sensory impairments, independent living assistance for persons with disabilities, including an assessment process for eligibility, based on both a medical and a functional assessment of disability by a multi-disciplinary evaluation committee: initial pilot programme and subsequent national rollout; b) supporting social inclusion of people with autism spectrum disorders (ASD) and early childhood interventions (pilot program).

This milestone (#174) is an initial step under this measure and requires the entry into force of the law to enable the de-institutionalisation of disability care, and the launching of the call for applications for participating in a first phase of the pilot project including a process for eligibility based on both a medical and functional assessment of disability by a multi-disciplinary evaluation committee.

The milestone is followed by a) a milestone (due in Q4 2023) that concerns the completion of the second phase of the pilot programme for personal assistance and the completion of the evaluation of the effectiveness of the new disability assessment system and its possible broader extension; and b) a milestone (due in Q3 2024) that concerns the nationwide roll-out of the personal assistance disability scheme that will include a medical and functional assessment process.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Copy of the publication in the Official Journal of primary legislation (Law 4837/2021, Official Journal A' 178/01.10.2021), *'Prevention of and response to cases of abuse and neglect of minors, 'Kipselli' programme to improve the quality of services provided in childcare units, provisions to promote foster care and adoption, personal assistant for persons with disabilities' and other provisions'*, introducing a scheme of personal assistance to enable the de-institutionalisation of disability care among others.
2. Joint Decision of the Ministers of Labour and Social Affairs, Finance and Health on *'the composition, establishment and operation of special multi-disciplinary committees of disability assessment'* (Decision No 28455, Official Journal OΔΔ 242/24.3.2022)
3. Joint Decision by Ministers of Labour and Social Affairs, and Finance on *'the implementation of the pilot program: 'Personal Assistant for persons with disabilities'* (Decision No 28458, Official Journal B' 1427/24.3.2022)
4. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled, including justification by the Ministry of Labour and Social Affairs that the technical specifications of the call are fully aligned with the process for eligibility based on both a medical and a functional assessment of disability by a multi-disciplinary evaluation committee as set out in the description of the milestone in the Council Implementing Decision.

Analysis:

In line with the requirements of the Council Implementing Decision, Greece adopted primary and secondary legislation to introduce a personal assistance scheme for persons with disabilities aimed at enhancing independent living for persons with disabilities and enabling the de-institutionalisation of disability care. Moreover, Greece published a call inviting interested persons to apply for the personal assistance scheme. In particular,

a) The Council Implementing Decision requirement about *the entry into force of a law to enable the de-institutionalisation of disability care* is met by Articles 32, 33, 34 of Law 4837/2021 that entered into force on 1 October 2022, as provided by article 79 of the same Law, as complemented by Joint

Ministerial Decision No 28458 that entered into force on 24 March, as provided by Article 17. Notably, Articles 32, 33, 34 of primary Law 4837/2021 established a personal assistance service for persons with disabilities aimed to improve the living conditions of the latter, support their right to independent living, and prevent their marginalisation and institutionalisation. Article 34 of primary Law 4837/2021 further specified that beneficiaries of the personal assistance scheme are persons with disabilities of any type and residence place that the scheme will be provided based on their individualised needs. Moreover, Article 2 of Ministerial Decisions No 28458 specified that the personal assistance should be provided inside the beneficiary's residence or outside that, if needed, and support independent living and integration of persons with disabilities in society by assisting them in a) daily activities such as eating, dressing, self-care, b) work and studying, c) participation to leisure and social activities. These provisions together enable the independent living of persons with disability and the de-institutionalisation of disability care.

b) The Council Implementing Decision requirement about the *implementation of a first-phase pilot programme of personal assistance* is met by Articles 36 and 37 of primary Law 4837/2021 that entered into force on 1 October 2022, as provided by Article 79 of the same Law, as well as by Joint Ministerial Decision No 28458 that entered into force on 24 March, as provided by Article 17 of the same Decision. Notably, Articles 36 of primary Law 4837/2021 provided for the pilot implementation in two phases of a personal assistance scheme for persons with disabilities regardless of the type of disability in which eligibility should be determined by a multi-disciplinary evaluation committee. The first phase of the pilot implementation should start in 2022 and last for two years and be followed by a second phase in 2023 that should last for one year. Moreover, Article 37 of primary Law 4837/2021 provided for the creation of a personal assistants' registry, a digital platform for the submission of applications by interested assistants and service beneficiaries, and a Helpdesk to support the pilot implementation of the personal assistance scheme. According to Article 4 and 6 of JMD No 28458, the first phase of the pilot implementation should take place in the Attica region, last for two years, and involve 1 000 beneficiaries.

c) The Council Implementing Decision requirement about *applying a process for eligibility to the personal assistance scheme based on both a medical and functional assessment of disability by a multi-disciplinary evaluation committee* is met by Article 36 of primary Law 4837/2021 that entered into force on 1 October 2022, as provided by Article 79 of the same Law, as well as by Joint Ministerial Decisions No 28458 and No 28455 that entered into force on 24 March, as provided by Article 17 and Article 7 respectively. Notably, Article 36 of primary Law 4837/2021 envisaged the setting up of special multidisciplinary evaluation committees to assess eligibility to the personal assistance scheme taking into account any disability status (motor, mental, developmental or sensor) as previously certified by medical doctors, as well as functionality aspects such as the possibility for self-care. Moreover, Article 3 of Decision 28455 specified that each of the above special committees should involve one social worker, one occupational therapist and one psychologist, and listed the members of the 26 multidisciplinary committees of the pilot implementation of the personal assistance scheme. Moreover, Decision 28458 set out the assessment process of disability to apply by the special multidisciplinary committees. According to Article 6 and Article 7 of the latter Decision, applicants to the personal assistance scheme should have already been certified by the medical doctors of the national Disability Certification Centre (KEPA) as having a disability of more than 67% (either motor, mental, developmental or sensor disability). According to Article 7 of the same Decision, this medical assessment is used as input to the committee's broader evaluation. Finally, Article 9 of JMD No 28458 specifies that the functional assessment of disability by the multidisciplinary committees should be based on an interview with the applicant where the committee will assess the functioning of the latter in six domains of life: 1. Cognition – understanding and communicating, 2. Mobility – moving and getting around, 3. Self-care – attending to one's hygiene, dressing, eating and staying alone, 4. Getting along – interacting

with other people, 5. Life activities – domestic responsibilities, leisure, work and school and 6. Participation – joining in community activities, participating in society (World Health Organization Disability assessment Schedule - WHODAS 2.0).

d) The Council Implementing Decision requirement about the *publication of a call for applications for participating in a first phase pilot project including a process for eligibility based on both a medical and functional assessment of disability by a multi-disciplinary evaluation committee* is met by the publication by Greece of a call for applications inviting interested persons with disabilities to apply for the first phase of the pilot personal assistance programme. The call was initially published on 30 March and republished on 4 April 2022 at <http://prosopikosvoithos.gov.gr/> in line with Commission communication requirements (NextGenerationEU emblem and a visible reference to the Recovery and Resilience Facility). The application period was initially set to end on 15 May 2022 and it was subsequently extended until 31 May 2022.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number 188	Related Measure: Online cash registers & POS (Measure ID: 16614)
Name of the Milestone: Independent Authority for Public Revenue (IAPR): Online cash registers & Point-of-Sale (POS) – Entry into force of the legal framework	
Qualitative Indicator: Entry into force of the law	Time: Q1 2022
Context: The objective of the measure is for the Independent Authority for Public Revenue to develop a framework to facilitate the connection of cash registers with Point-of-Sale terminals and its IT systems. The project includes the setup of specifications for the interconnection of cash registers with the Point-of-Sale terminals to certify that every Point-of-Sale transaction is being recorded in the cash register and the data produced is transmitted in near real time to the Independent Authority for Public Revenue as well as the development of infrastructure and applications for the monitoring of cash register transactions and the support of the control mechanism. Upon its completion, the measure is expected to limit the potential for tax evasion and ultimately reducing the VAT gap. Milestone #188 requires the entry into force of an Independent Authority for Public Revenue Governor’s decision for technical requirements and a Joint Ministerial Decision for electronic data transmission to the Independent Authority for Public Revenue setting out the key features necessary for the interconnection of online cash registers and Point-of-Sale systems to the Independent Authority for Public Revenue, including revisiting sanctions for cash registers. Milestone #188 is the first milestone for the reform and it is followed by target #189 (due in Q2 2024), which concerns the rollout of a data platform and interconnection of at least 500 000 businesses’ cash registers with Point-of-Sale systems to the Independent Authority for Public Revenue.	
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. A summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled; 2. A copy of the Independent Authority for Public Revenue (IAPR) Governor’s Decision 1171/06.08.2021 (ADA ΨΚΡ246ΜΠ3Ζ-ΜΓΤ) Official Journal B 3596/06.08.2021) “Interconnection of the Tax Electronic Mechanisms (FIT) with the IAPR IT System for the	

electronic transmission of retail sales data issued through them to the digital platform myDATA”, for electronic data transmission to the Independent Authority for Public Revenue (based on article 15A, Law 4174/2013 Official Journal A 170/26.07.2013)

3. A copy of the Independent Authority for Public Revenue Governor’s Decision 1098/24-6-2022 (Official Journal B 3940/25.07.2022) *“Definition of technical specifications (communication first code) and other functions for interconnection between tax electrical equipment and EFT/POS terminals. Physical formalisation of the principle ‘collection by card – a receipt must be issued by a tax identification number’”* (based on article 12, Law 4308/2014 Official Journal A 251/24.11.2014) on the technical specifications and other functions for interconnection between tax electrical equipment and EFT/POS terminals;
4. A copy of law 4972/2022 (Official Journal A 181/23.09.2022) *“Corporate governance of public limited companies and other subsidiaries of the Hellenic Corporation of Assets and Participations, the management of public shareholdings in emerging companies and arrangements for the Hellenic Corporation of Assets and Participations, the assessment of the solvency and creditworthiness of natural and legal persons vis-à-vis the State and the establishment of an Independent Authority for the Credit Assessment, the establishment and operation of a Central Credit Register, I shall supplement the State Budget for the financial year 2022 and other provisions of an economic and development nature.”*, that includes provisions on sanctions for not complying with the obligation to transmit cash register data.

The authorities also provided:

1. A copy of the Joint Ministerial Decision 1138/2020 (Official Journal B 2470/22.06.2020) *“Determination of the scope, time and procedure for electronic transmission to the Independent Authority for Public Accounts and any other matters necessary for the application of Article 15a of Law 4174/2013 (Code of Tax Procedure)”* that determines the extent of application, the time and the procedure of electronic transmission of data to the Independent Authority for Public Revenue,
2. A copy of the IAPR Governor’s Decision 1024/31-1-2020 (Official Journal B 317/06.02.2020) *“Additional technical specifications for communication and encryption for the transmission of data to the IT system of FIUs”*, that provides Supplementary technical specifications of the communication and encryption protocol for the transmission of data to the Electronic Cash Registers information system;
3. A Note by IAPR’s Legal Support Directorate.

Analysis:

In line with the Council Implementing Decision, the Independent Authority for Public Revenue Governor’s Decision 1098/24-6-2022 (issued on the basis of article 12, Law 4308/2014) was published on the 24 June 2022 and applies new technical standards as of 1 January 2023 according to Article 4 of the Decision. This decision sets out new technical requirements for the functions and interconnection between online cash registers and Point-of-Sale systems with its information system. These new requirements include an obligation (in Article 2) to issue a standardised receipt with each transaction, to adhere to a defined communication protocol and to document the process of issuing transaction receipts, via online cash registers or Point-of-Sale systems. These data are recorded and transmitted directly to the Independent Authority for Public Revenue through the cash registers, following the details specified in the Independent Authority for Public Revenue Governor’s Decision 1171/6-8-2021. Furthermore, the new technical specifications also introduce requirements for the recording of all transactions. The standardised receipts also include a QR code

that links to the information whether the data have been correctly transmitted to the Independent Authority for Public Revenue which can be accessed by all citizens using a smartphone application. This is expected to increase transparency and limit the room for tax evasion and fraud and ultimately reduce the VAT gap.

The Council Implementing Decision required that the legal framework setting out the key features necessary for the interconnection of online cash registers and Point-of-Sale (POS) systems to the Independent Authority for Public Revenue has entered into force. As specified above, the Governor's Decision containing the key features necessary has been published at the Official Journal and will enter into force as of 1 January 2023. No further legal act is necessary and as such there is legal certainty that these key features will apply. The delayed entry into force is necessary to give companies time to adapt their equipment to the new standard. Moreover, the delay between the publication of this Decision and the actual application of the key features is considered both limited and proportional, notably as the delay is for a short duration and is proportional to the time necessary for the Independent Authority for Public Revenue to implement the necessary technical changes. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

The Independent Authority for Public Revenue Governor's Decision 1171/06.08.2021 entered into force on 6 August 2021 and it defines the standard for the electronic data transmissions for online cash registers to the information system of the Independent Authority for Public Revenue based on Law 4308/2014 and the Joint Ministerial Decision 1138/12.6.2020 which determine the scope, time and procedure for the electronic transmission of data to the Independent Authority for Public Revenue. Article 2 of this Decision sets out the obligation to electronically transmit retail sales data to the Independent Authority for Public Revenue. Article 3 of the Governor's Decision 1171/6-8-2021 specifies the type of data that needs to be transmitted and article 4 specifies the technical standard that the data transfer needs to adhere to as well as the timing of the transmissions to the IT system of the Independent Authority for Public Revenue. Therefore, the new requirements for the interconnection between cash registers / Point-of-Sale systems and the Independent Authority for Public Revenue information system are in force and all transactions are being recorded and transmitted to the Independent Authority for Public Revenue in line with the Council Implementing Decision requirements.

The Council Implementing Decision required the entry into force of a Joint Ministerial Decision for electronic data transmission to the Independent Authority for Public Revenue. In this case, a Joint Ministerial Decision by the Ministry of Finance and the Independent Authority for Public Revenue A.1138/2020 has been issued, setting out the time of transmission, the extent of application, the exceptions, and other specific obligations, on the basis of article 15 A of Law 4174/2013. This Joint Ministerial Decision (A.1138/2020) is defining the obligation to transmit data to the Independent Authority at a specific time and using specific transmission channels including the online cash registers. A Decision by the Governor of the Independent Authority for Public which sets out the remaining key features necessary for the interconnection of online cash registers and Point-of-Sale (POS) systems to the Independent Authority for Public Revenue has also been issued (Decision 1171/6-8-2021). Whilst most of the key features are contained in the Governor's Decision instead of in the Joint Ministerial Decision representing a minimal formal deviation from the wording of this constitutive element of the milestone, it does not change the nature of the measure, because in this case the Governor's Decision has a legal value equivalent to that of a Joint Ministerial Decision. Furthermore the new standard for the electronic transmission for online cash registers to the information system of the Independent Authority for Public Revenue is based on article 12 of Law 4308/2014 that states that the technical specifications as well as informational and functional characteristics of electronic cash registers are changed by a Decision of the General Secretary of Public Revenue (note by the Legal Support Directorate of the Independent Authority for Public Revenue) and does not affect the progress towards the achievement of the reform that the

milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Sanctions for cash registers (article 54, Law 4174/2013) are revisited in line with the Council Implementing Decision requirements. Articles 173 and 174 of law 4972/2022 (Official Journal, A 181/23.09.2022), which enter into force on 31 October 2022, amend the existing legislative provisions in Law 4174/2013 and define the sanctions for non-compliance with the new rules of interconnection with the Independent Authority for Public Revenue systems.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 190	Related Measure: New framework for the fight against smuggling, mainly for products subject to excise duties (tobacco, alcohol and energy) (Measure ID: 16656)		
Name of the Milestone: Fight against smuggling – adoption of regulatory decisions			
Qualitative Indicator: Report by the Independent Authority for Public Revenue containing the roadmap for the decisions /circulars related to the fight against smuggling.			Time: Q2 2022
Context: The objective of the reform is to support the fight against smuggling, in particular for those products subject to excise duties (tobacco, alcohol, energy) through the modernisation of the customs’ tracking systems, audit processes, and equipment in order to increase the effectiveness of cargo audits. This also requires the upgrade of the IT systems of the Independent Authority for Public Revenue necessary to obtain information from European and national databases. Milestone #190 consists of (i) the adoption of a roadmap (including timeline) by the Independent Authority for Public Revenue for the issuance of the decisions/circulars related to the reform of the legal framework on the fight against smuggling; and (ii) of a report on the roadmap for the issuance of the decisions/circulars issued by the Independent Authority for Public Revenue detailing the steps needed for the redesign of the ICISNET (real time information system for custom controls, payment etc.) and ELENXIS (auditing information system) operational information systems, with the aim to effectively prioritise non-compliance risks and generate the best possible audit profiles, utilising information from the European Union and national databases. The milestone is the first milestone for the reform and will be followed by milestone #191 (due in Q3 2022), which requires the adoption of 15 regulatory decisions/circulars by the Independent Authority for Public Revenue on the design of a new integrated system for the fight against smuggling to support the audit process.			
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. A summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled; 2. The roadmap (including timeline) for the issuance of the decisions /circulars related to the reform of the legal framework on the fight against smuggling. 3. Report by the Independent Authority for Public Revenue on the roadmap, detailing the steps needed for the redesign of the ICISNET and ELENXIS operational information systems, and how this shall effectively prioritise non-compliance risks and generate the best possible			

audit profiles, utilising information from the European Union and national databases.

The authorities also provided:

A Copy of the Governor's Decision ADA: ΨΖ6Ζ46ΜΠ3Ζ-25Ψ (ΑΥΤ.ΤΜ.ΥΠ.1027120ΕΞ2022/30.3.2022) *"Approval of a Road Map (including a timetable) for the adoption of decisions/circulars concerning the reform of the legal framework to combat smuggling implemented in the context of the National Recovery and Resilience Plan Greece 2.0"* that published the roadmap

Analysis:

In line with the requirements of the Council Implementing Decision the Independent Authority for Public Revenue published, on 30 March 2022, the Governor's Decision ΑΥΤ.ΤΜ.ΥΠ.1027120ΕΞ2022/30.3.2022, which includes as an annex the detailed roadmap including a timeline for the issuance of all decisions and circulars related to the reform of the legal framework on the fight against smuggling. The Independent Authority for Public Revenue (IAPR) also issued a report, that provides further details regarding the steps included in the roadmap, and how they will facilitate the redesign of the ICISNET (real time information system for custom controls, payment etc.) and ELENXIS (auditing information system) operational information systems, with the aim to effectively prioritise non-compliance risks and generate the best possible audit profiles, utilising information from the European Union and national databases.

Roadmap

The roadmap, published as an annex to the Governor's Decision ΑΥΤ.ΤΜ.ΥΠ.1027120ΕΞ2022/30.3.2022, contains a list of 9 decisions regarding excise duty on products, 18 decisions on fuel, 4 decisions on alcohol, and 6 decisions on tobacco. The roadmap provides a date of adoption for each decision. The roadmap also explains that the purpose for the changes is to create a new anti-smuggling framework that will modernise customs operations. It also states that the new anti-smuggling framework will aim to reduce the financial loss created through smuggling, protect the society from illegal and dangerous objects and ensure fair competition. The roadmap also lists the investments that are linked to the reform in order to create the anti-smuggling framework. Amongst those investments are a traffic monitoring system for commercial vehicles and containers, the deployment of the new ICISnet customs IT systems, new data systems and registers as well as a new anti-smuggling tools for the Customs service.

Report

The report lists the decisions and circulars needed for each of the following areas: Excise duty on products, fuel, alcohol, and tobacco, and explains how the technical changes in these areas will aid in the redesign of the ICISNET (real time information system for custom controls, payment etc.) and ELENXIS (auditing information system) operational information systems. These technical changes are expected to help the Independent Authority for Public Revenue effectively prioritise non-compliance risks and generate the best possible audit profiles, as well as linking to and utilising information from the European Union and national databases.

Regarding excise duty on products, the report summarises a Joint Ministerial Decision by the Ministry of Finance and the IAPR ADA: 6ΕΒΥ46ΜΠ3Ζ-6ΝΥ (Δ.ΟΠΓ.Β 1027184 ΕΞ2021/31-3-2021) which set up the Management Board of the Joint Inter-Service Collective Body. The Management Board of the Joint Inter-Service Collective Body is called the 'Coordinating Operational Centre' (SEK) and acts as a coordination centre between services to deal with the smuggling of products subject to excise duty.

Regarding the smuggling of fuel, the report includes details regarding a call for tender that has been

issued by IAPR to establish a service contract for a data management system to store geolocation information of fuel transport vehicles and to link ICISnet with: the TAXIS Integrated Tax Information System, the ELENXIS Integrated Information System, the Electronic Tax Mechanisms Information System (FIN), fuel/energy products tank/energy product registers IT systems, the General Chemical State Laboratory Integrated Information System, the Electronic Books Information System, and External databases covering both in-country information and data obtained from automatic exchange of information between Member States and third countries. This information system will allow to upgrade the methodology used for assessing non-compliance risks and identifying companies with high risks in the fuel trade.

On the topic of alcohol smuggling the report explains that the Joint Ministerial Decision by the Ministries of Finance and IAPR A.1263/31-12-2021 (OJ B 6317/30.12.2021) creates an electronic register for spirit drink traders to monitor the supply chains regarding alcoholic beverages. The registration in the register is mandatory and includes traders as well as producers of alcoholic beverages. The register will allow for more efficient monitoring of the supply chains which is key in the fight against smuggling.

Finally, regarding the smuggling of tobacco products, the report summarizes the Joint Ministerial Decision by the Ministries of Finance, Development and Investment, the State, Rural Development and Food and IAPR A.1018/31 -01-2022 (OJ B 440, 7.2.2022) which provides for the operation in the ICISnet Customs Electronic Services Information System of an electronic register, called the Single Central Register of Tobacco and Industrialised Tobacco Supply Chain (EKMEA), in order to monitor the tobacco and manufactured tobacco supply chain.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number 197	Related Measure: Super–deduction of expenses on green economy, energy and digital transition (Measure ID: 16863)	
Name of the Milestone: Super-deduction for SME green and digital investments		
Qualitative Indicator: Entry into force of primary and secondary legislation for Super-deduction for SME green and digital investments		Time: Q4 2021
Context: The objective of the reform is the introduction of tax incentives to strengthen investment by small and medium-sized enterprises through the super-deduction of investment expenses in equipment related to climate change adaptation, the promotion of circular economy, and digitalisation, in line with EU State aid rules. The Milestone #197 concerns the entry into force of primary and secondary legislation for the introduction of super-deduction for business tax purposes of qualifying expenses by small and medium-sized enterprises for green economy and digitisation investments. This is the only milestone for this reform.		
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:		

1. A **summary document** duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2. Copy of **Law 4941/2022 (OJ A' 113/16.06.2022) "Reform of the Institutional framework of the Hellenic Financial Stability Fund and other urgent provisions"**, of which Article 86 amends the Income Tax Code (Law 4172 OJ A 167 / 23.7.2013).
3. Copy of **Joint Ministerial Decision of the Ministers of Finance, Environment & Energy and Digital Governance, number 139818 EE 2022, published on 28/9/2022 (OJ B; 083/28.9.2022)** concerning conditions, procedures and types of eligible investments.

Analysis:

In line with the requirements of the Council Implementing Decision:

Article 86 of law 4941/2022 introduces a new enabling Article 22E (Super – Deduction of expenses on green economy, energy and digital transition) into the existing Income Tax Code (law 4172/2013). This allows small and medium-sized enterprises to deduct their investment expenses on eligible green economy, energy and digital assets - increased by 100% - from their gross income for tax purposes. A transitional provision in article 86 provides that Article 22E will apply only for investment expenses realized and assets acquired in the tax years 2023, 2024 and 2025. Article 107 provides that the law enters into force on 16 June 2022.

The **Joint Ministerial Decision of the Ministers of Finance, Environment & Energy and Digital Governance** entered into force on 28 September 2022 (article 11) specifies the legal basis for granting of aid, the type of eligible expenses and assets falling under super deduction as well as the conditions, procedures and other necessary details for the implementation of the super-deduction as follows:

- The scope of eligible expenditures includes digital and other investments concerning protection and management of forestry, remediation works and pollution control exceeding EU standards, improvements in energy efficiency, the green transition and renewable energy, and research and development in biotechnology and electric technologies thus contributing to climate-change adaptation, the promotion of the circular economy, and related digitization.
- The framework set out in the secondary legislation is in line with EU state aid rules and with the EU definition of SMEs (article 2).

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 198	Related Measure: Adoption of measures and incentives to increase electronic transactions (Measure ID: 16616)		
Name of the Milestone: Legislation to encourage electronic transactions			
Qualitative Indicator: Entry into force of primary and secondary legislation, providing incentives for the enhancement of electronic transactions			Time: Q4 2021
Context: The objective of this reform is to ease administrative burden and improve tax compliance by promoting electronic transactions.			

Milestone #198 requires entry into force of amendment of the primary and secondary legal framework providing specific incentives for the enhancement of electronic transactions.

This milestone (#198) is the only one under this measure.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2. Copy of Law 4876/2021 (OJ A' 251 / 23.12.2021), "*Arrangements to Address the COVID-19 pandemic and protect public health and other urgent provisions*", of which Article 50 amends article 15 of the Income Tax Code (Law 4172 OJ A 167 / 23.7.2013).
3. Copy of Joint Ministerial Decision of the Alternate Minister of Finance and Deputy Minister of Finance 35565 EΞ 2022 (OJ B 1369/23.3.2022) providing the terms and conditions and the professional groups that fall under the new legislation.

The authorities also provided:

4. Copy of consolidated version of Article 15 of Income Tax Code (law 4172/2013) following the amendments made by law 4876/2021 (published in the official website: <https://www.kodiko.gr/nomothesia/document/250460/nomos-4172-2013>)

Analysis:

The Commission considers that there is a clerical error in the text of the Council Implementing Decision Annex as regards the description of reform 16616 and has undertaken the assessment on a revised basis. In that description, it is stated that: "*IAPR shall make use of myDATA facility for electronic book-keeping, electronic invoicing and the connection of all tax cash registers with its IT systems in order to facilitate the automatic filling of tax declarations and enhance the effectiveness of tax audits*". This part of the description of measure 16616 refers to and is in fact solely relevant for measure 16611: "*Digital transformation of tax audits*". This sentence of the description of the measure is thus not considered relevant for the fulfilment of milestone #198, but for milestone #192 due in Q2 2023 (concerning myDATA facility uses excluding tax audits) and for milestone #194 due in Q4 2025 (specifically concerning tax audits). The Commission will take this description into account when assessing the fulfilment of these milestones.

In line with the requirements of the Council Implementing Decision, Article 50 of Law 4876/2021 amends article 15 of the Income Tax Code (Law 4172/2013) to introduce new provisions according to which temporary tax incentives for the tax years 2022-2025 inclusive are provided to personal taxpayers that carry out electronic transactions targeted at specific categories of professional services that have been previously identified as having a high risk of tax evasion. These groups currently under-record their transactions to avoid taxes and are often reluctant to accept electronic transactions. Specifically:

- The amendments in paragraph 3 of article 50 allow for a proportion equal to 30% of electronic transactions carried out with specified categories of particular high-evasion risk professional services within the relevant tax years, to be deductible from personal income tax.
- The amendments included in paragraphs 1 and 2 of Article 50 allow electronic transactions

carried out with a wider category of other high-evasion risk professional services to be double-counted towards the annual requirement to spend a certain proportion of taxpayer income in the form of electronic transactions.

The Joint Ministerial Decision No. 35565 specifies the particular professional service sectors to be targeted for the implementation of the tax incentives following an assessment by the tax service:

- The 30% income tax reductions for electronic transactions will be restricted to 18 specific categories of professional services where transactions are currently particularly under-recorded, including lawyers, architects, plumbers, photographers and consulting services etc. and a maximum amount of €5000 will be placed as the total of such deductions (article 2).
- The double counting of certain electronic expenditures for the electronic transactions should be restricted to 8 types of medical-related services where transactions are currently under-recorded (article 1).
- The Independent Authority for Public Revenues will have access to relevant personal data from payment service providers.
- The decision will apply to relevant expenditures undertaken from 1 January 2022 to 31 December 2025 (article 4).

Thus, the primary and secondary legislation adopted for the milestone provides significant additional temporary incentives for personal taxpayers to use electronic transactions in paying for professional services that are currently heavily under-recorded for tax purposes. This helps achieve the objectives of the reform measure to improve tax compliance and reduce administrative burdens associated with the previous reluctance of some of these professional groups to accept electronic payments.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 201	Related Measure: Incentivisation regime for productivity and extroversion of enterprises (increasing the size of enterprises) (Measure ID: 16598)	
Name of the Milestone 201: Legislation to encourage business extroversion		
Qualitative Indicator: Entry into force of the legislation to encourage business extroversion		Time: Q1 2022
Context: The objective of this reform is to tackle weaknesses associated with the predominantly small size of Greek enterprises. It is intended to create an array of tax, and other incentives to encourage the self-employed and micro-, small- and medium-sized enterprises in order to increase economies of scale through mergers, conversions, acquisitions and cooperation schemes and platforms such as joint ventures, clusters that shall also promote higher productivity and increased exports. Milestone #201 requires entry into force of the relevant amendments providing improvements in the legal framework of tax, financial and licensing incentives for mergers, conversions and acquisitions. It is the final of two milestones for the implementation of the measure. The previous milestone #200 covered under the first payment request concerned the sharing of a copy of the draft law for consultation. As further specified in the Operational arrangements, the adopted legal text is expected to widen the scope of eligible enterprises compared to the draft legislation prepared for milestone #200 in order to provide incentives to encourage self-employed and enterprises to: (a) increase their size,		

raise their productivity, acquire an international orientation and (b) improve access to economies of scale through mergers, conversions, acquisitions and new cooperation schemes and platforms.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. A summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.
2. Copy of primary legislation consisting in Law 4935/2022 “Incentives for the development of enterprises through collaborations and corporate restructurings” published in the Official Journal A’ 103/26.05.2022.
3. Copy of the secondary legislation consisting in Joint Ministerial Decision 127754 EΞ 2022 “Determination of the procedure, the supporting documents and the verification of the conditions for the exemption from income tax on profits from agricultural business activity and every necessary detail for the application of these provisions in accordance with the articles 4 and 15 of Law 4935/2022, as well as the type and the minimum content of contracts concerning contract farming for the implementation of the above articles” published in the Official Journal B’ 4760/09.09.2022).

Analysis:

In line with the requirements of the Council Implementing Decision, Law **4935/2022 entered into force** immediately following publication in the Official Government Gazette on 26 May 2022 (Article 28) and provides for:

The following new tax and financial exemptions for mergers, conversions and acquisitions:

- Income tax exemptions are introduced for undertaking business transformations under specific conditions on the size and turnover of the transformed enterprises. These concern in particular:
 - Taxable profits of companies and sole proprietorships undertaking business transformations (Article 3).
 - Taxable profits of natural persons undertaking new cooperation schemes (Article 4)
 - Taxable profits in the case of a transfer of a personal business to another company (Article 5).
 - These exemptions are for up to 30% of pre-tax profits and are subject to general provisions set out in Article 6.
- Income Tax exemption incentives are introduced in the case of collaboration of individual farmers in Article 15 of up to 50% of taxable profits. The secondary legislation in Joint Ministerial Decision 127754 EΞ 2022 sets out the detailed conditions for this exemption that retrospectively applies from the beginning of the 2022 tax year.
- Tax exemptions are introduced from capital gains taxes arising from the transfer of fixed assets to third parties under specific conditions (Article 7).
- Exemption from stamp duty and income tax on capital gains are introduced arising from business restructurings under specific conditions (Article 9)
- Deduction of expenses incurred for the acquisition of participations in companies is introduced (Article 10).

New licensing incentives for business transformations:

- Licenses and other administrative authorizations previously issued to personal businesses can be transferred and will continue to be in force in favour of existing or new companies that result from the contribution of a personal business (Article 8)

Improvements and amendments of provisions of existing tax incentive laws for mergers, conversions and acquisitions:

- Article 11 provides under certain conditions that losses of the restructured companies can be transferred to the balance sheet of the new company and can be set-off against profits of the new company arising in the current or subsequent financial years.
- Articles 12, 13, and 14 introduce exemption from capital concentration tax for certain restructurings, provided that the turnover of the company resulting from the restructuring after deducting any intra-company transactions, is at least €450.000.

In line with the further specifications set out in the Operational Arrangements, the scale of the incentives provided in the legislation are sufficient to encourage self-employed businesses and incorporated enterprises to increase their size through mergers, conversions, acquisitions and new cooperation schemes and platforms. The consequent economies of scale and scope would allow such businesses to raise their productivity and improve their competitiveness and international orientation. Compared to the draft legislation provided for milestone 200, the legislation has standardised the criteria for the various incentives and widened the scope by adopting the standard EU definition of SME (article 3).

The new law 4935/2022 **entered into force** on 26 May 2022 (Article 28) and applies to business transformations initiated from that date.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 202	Related Measure: Codification and simplification of tax legislation (Measure ID: 16643)	
Name of the Milestone: Raising capacity for tax codification		
Qualitative Indicator: Publication of secondary legislation for set up of Tax Codification unit in Ministry of Finance and Service Provision Directorate in IAPR		Time: Q2 2022
Context: The objective of the reform is the simplification and updating of the legislation for the major tax codes, the customs code and all relevant secondary legal provisions in line with EU best practices. As part of this reform, the Ministry of Finance will take responsibility for the simplification and codification of the major tax policy legislation and the Independent Authority for Public Revenue (IAPR), will take responsibility for carrying out the updating and modernisation of the Code of Tax Procedure and develop its provision of taxpayer and information services. Milestone #202 concerns the strengthening of the institutional environment for the tax codification reform. It consists of the set-up of a dedicated tax unit at the Ministry of Finance responsible for the		

consolidation and consistency of primary tax legislation and ministerial decisions; and the set-up of a Service Provision Directorate within IAPR inter alia responsible for consolidating secondary legislation, coordinating the IAPR's competences regarding Code of Tax Procedure, and updating and maintaining the public tax database.

Milestone #202 is the second milestone for this reform, following milestone #199 that included the timetable and setting up of the committees for the codification process. It will be followed by two more milestones, #203 (due in Q2 2023) and #204 (due in Q2 2024) that will further simplify the tax legislation.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. A summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled

Primary and secondary legislation for the setting up of a dedicated tax drafting unit at the Ministry of Finance

2. Copy of Law 4972/2022 (OJ A' 181/23.9.2022) "Corporate Governance of Public Joint Stock Companies and other subsidiaries of the Hellenic Corporation of Assets and Participations, management of public shareholdings in joint stock companies and regulations for the Hellenic Corporation of Assets and Participations, assessment of the solvency and creditworthiness of natural and legal persons vis-à-vis the State and the establishment of an Independent Credit Assessment Authority, establishment and operation of the Central Credit Register, Supplementary State Budget for the financial year 2022 and other provisions of an economic and developmental nature".
3. Decision 143582/4.10.2022 of the Permanent Secretary of the Ministry of Finance, "Amendment of No. 75732/25.06.2021 decision of the Permanent Secretary of the Ministry of Finance: Allocation of staff positions to the Services within the General Secretariat of Tax Policy and Public Property of the Ministry of Finance" (ΑΔΑ: 6ΔΛΨΗ-ΥΤΛ).
4. Decision 154508/21.10.2022 of the Permanent Secretary of the Ministry of Finance on transfer of employees of the Ministry of Finance to Department E - Codification of the Legislation of the Tax Policy Directorate of the Ministry of Finance.

Secondary legislation regarding the set-up of a Service Provision Directorate at the Independent Authority for Public Revenue inter alia responsible for consolidating secondary legislation, coordinating the Independent Authority for Public Revenue's competences regarding Code of Tax Procedure, and updating and maintaining the public tax database (responsibility of IAPR)

5. Copy of IAPR Governor's Decision Δ.ΟΠΓ.Α 1115404 ΕΞ2021/24-12-2021(OJ B'6318/30-12-2021), "Amendment to D.ΟΡΓ.Α 1125859 ΕΧ 2020/23-10-2020 decision of the Governor of IAPR 'Organisation of the Independent Authority Public Revenue Agency (ΑΑΔΕ)' (B' 4738), regarding the establishment of a Service Directorate (D.E.XY.), reporting directly to the Governor, the definition of its operational goals, structure and responsibilities and the redefinition of the structure and responsibilities of the Directorate for Operational Procedures (DΙ.ΕΠΙ.ΔΙ.) of the Directorate General for Electronic Governance (GD.ELE.ΔΙ.), as well as of the similar decisions referred to in D.ΟΡΓ.Α 1081822 ΕΧ 2020/10-07-2020 (B'

2871) and D.ORG. A 1001512 EX 2017/05-01-2017 (B' 12, 52, 234 and 1032)."

6. Copy of IAPR Governor's Decision Δ.ΟΠΓ.Α 1050201 ΕΞ 2022/8-6-2022(OJ B'3002/14-6-2022) "Redefinition of the starting time for the launch of operations of the Service Directorate (D.E.XY.) and Communication Directorate (D.EPIK.), reporting directly to IAPR Governor."
7. Copy of IAPR Governor's Decision ΔΔΑΔ Γ 1052428/15-6-2022 (ΑΔΑ61Ν446ΜΠ3Ζ-ΤΤΩ) "Selection and appointment of Directorate's Heads directly reporting to IAPR Governor".
8. Copy of Document Δ.Π.Κ.Υ. Α.Α.Δ.Ε. Γ 1056922/27-6-2022 "Headquarters of Service Directorate"
9. Copies of Personnel Invitations ΔΔΑΔ Β 1041990/17-5-2022 and ΔΔΑΔ Β 1054341/20-6-2022 for the staffing of the Service Directorate and the Communication Directorate.
10. Copy of IAPR Governor's Decision Δ.ΟΠΓ.Α 1062982/21-7-2022 (9ΓΞΖ46ΜΠ3Ζ-Β68 – ΟJ B'3806/21-7-2022) on transfer of departments and competencies to the Directorate for Service Provision.

Analysis:

In line with the requirements of the Council Implementing Decision, a Tax Drafting unit is to be set up in the Ministry of Finance:

- Article 164 of law 4972/2022 (evidence #1) provides that a department called "Department E - Codification of legislation" shall be established in the Directorate of Tax Policy of the General Secretariat of Tax Policy and Public Property of the Ministry of Finance. This department shall be responsible for the legislative and administrative codification of the primary and secondary tax legislation under the jurisdiction of the Ministry of Finance, in cooperation with relevant departments or authorities, without prejudice to the competences of the Independent Authority for Public Revenue (IAPR) and without prejudice to Chapters C and D of Part C of Law No. 4622/2019 (Α' 133), in particular Par. 3 of Article 66 thereof on the powers of the Central Committee of Codification. Law 4972/2022 was published on 23.9.2022 and entered into force immediately (article 192).
- Two Decisions of the Permanent Secretary of the Ministry of Finance (evidence #3 and #4) are the secondary legislation setting up the Tax Policy Drafting unit. Decision 143582/4.10.2022 provides for the allocation of 7 posts to the new unit. Decision 154508/21.10.2022 provides for the appointment of the first two members of staff of the new unit.

Furthermore, and in line with the requirements of the Council Implementing Decision, a Service Provision Directorate at the Independent Authority for Public Revenue was established:

- The IAPR Governor's Decision Δ.ΟΠΓ.Α 1115404 ΕΞ2021/24-12-2021(OJ B'6318/30-12-2021) (evidence #5) modifies the IAPR Organization (Δ.ΟΠΓ.Α 1125859/23-10-2020 (OJ B' 4738/26-10-2020), establishing the Service Provision Directorate and Department Β'-"Continuous Coding" with article 7Α "Directorate for Service Provision".
- This Department is responsible for consolidating secondary legislation (article 7Α, paragraph 2, ΙΙ(α)), coordinating the IAPR's competences regarding Code of Tax Procedure (article 7Α, paragraph 2, ΙΙ(γ)), and updating and maintaining the public tax database (article 7Α, paragraph 2,ΙΙ(β)).
- Regarding entry into force, the IAPR Governor's Decision Δ.ΟΠΓ.Α 1050201 ΕΞ 2022 /8-6-2022 (OJ B'3002/14-6-2022) (evidence #6) defines the activation date for the Directorate for Service Provision to 24/6/2022.
- The IAPR Governor's Decision Δ.ΟΠΓ.Α. 1062982/21-7-2022 (evidence #10) changes IAPR's Organisation, transferring the ΙΑ' (Taxation Registry and Taxpayers Profile) and ΙC' (MyAADElive agency) Departments, as well as the Thessaloniki MyAADElive Agency of the Audits Directorate

to the Service Provision Directorate. With this decision, effective as of 21/7/2022, the major competences related to the service of taxpayers are transferred to the directorate.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 205	Related Measure: Reforming Public Administration (Measure ID: 16972)		
Name of the Milestone: Public administration – launch of performance-pay system			
Qualitative Indicator: Entry into force of primary legislation setting up a pilot rewarding system.			Time: Q2 2022
Context: The objective of this reform is to continue Greece’s efforts to modernise the public administration and invest in its human resources by implementing five actions: (i) a revised legislative framework to streamline the allocation of responsibilities among the central, regional and local level; (ii) establishing a strategic workforce planning framework utilising an artificial intelligence-based tool; (iii) modernising hiring procedures managed by the Supreme Council for Civil Personnel Selection (ASEP); (iv) upskilling/reskilling of 250 000 civil servants; and (v) introducing a reward scheme for civil servants linked to a goal-setting management system. This milestone (#205) is related to sub-project (v), which aims to introduce a reward scheme for civil servants. In particular, the milestone requires the launch of a performance-pay system for a set number of pilot entities and up to 6 000 civil servants that are involved in the implementation of the Recovery and Resilience Plan. Key features of the system will need to be consistent with the unified wage grid (Law 4354/2015). The launch of this pilot will contribute to a larger study to provide guidance in the establishment of a reward system, which is part of a wider reform of introducing a goal-setting management system that aims to reward public organisations equitably and consistently following the achievement of pre-set objectives (see Milestone 207, due in Q4 2023). This milestone (#205) represents the initial stage of the measure. It will be followed by three more milestones (Milestones #206, #207 and #208). Milestone #207 (due in Q4 2023) is directly linked to this milestone, as the pilot rewarding system is expected to contribute to a larger study, which will provide guidance in the establishment of a reward system across the public administration.			
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Copy of <u>Law 4940/2022, Official Journal A 112/14.06.2022, "Targeting, evaluation and reward system to enhance efficiency of public administration, arrangements for human public sector capacity and other provisions"</u>; and 2. Summary document duly justifying how the milestone was satisfactorily fulfilled. The authorities also provided: 1. A letter sent by the authorities on 3 August 2022 to the European Commission confirms that no more than 6 000 civil servants will be entitled to the bonus. The letter includes a table listing all pilot entities that are part of this rewarding system and whose staff could receive a bonus.			
Analysis: In line with the requirements of the Council Implementing Decision, article 24 of Law 4940/2022,			

which is the only relevant article to be assessed under this Milestone, entered into force 9 June 2022, as provided by Article 65.

Article 24 sets out three categories of public sector entities whose employees could be eligible for the incentive and reward-based system, namely: (i) implementing bodies, financing bodies or Ministries assigned responsibility for implementing measures as set out in Greece's RRP; (ii) *ad hoc* project teams set up by the competent Minister to advance specific measure(s) in Greece's RRP; and (iii) employees working at the General Directorate of Public Investments (Ministry of Development and Investment), General Directorate of Information Systems (Ministry of Digital Governance), Central/Decentralised Units dealing with state aid, Technical services of the municipalities or the Presidency of the Government and contributing to the implementation of Greece's Recovery and Resilience Plan. In line with the Council Implementing Decision this pilot reward system is therefore set up for civil servants that are involved in the implementation of Greece's Recovery and Resilience Plan.

Article 24 sets out that the remuneration provided through the incentive and reward-based system cannot exceed by more than 15% the annual remuneration of the civil servant (incl. the allowance given to managers). According to the Greek authorities, the system is consistent with the unified wage grid, which sets out how civil servants are remunerated in a consistent manner throughout the public administration, as it provides for a systematic approach on how this reward-based remuneration is calculated that applies for all public sector entities whose employees could be eligible to receive this remuneration and no exemptions are set out. Further, a letter (sent on 3 August 2022) confirms that the reward could be given to up to 6 000 civil servants. The letter includes a table, which sets out the public sector entities (in total 156 out of 1 720 general government entities), whose employees could be eligible for this reward. This demonstrates that the reward system is a pilot, as only civil servants employed at these specific public sector entities could be considered to receive this reward. Further, it confirms that maximum 6 000 civil servants will receive this reward.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 224	Related Measure: Training – Judges and Clerks-(Measure ID16733)		
Name of the Target: Skills and digital skills for judges and judicial employees (judicial staff)			
Quantitative Indicator: enrolled in the national school of judges	Baseline: 0	Target: 10	Time: Q1 2022
Context: The objective of this reform is to implement a number of changes regarding the function and syllabus of the National School of Judges and to create a new National School for Judicial Clerks. The reform consists of a revision of candidate selection criteria, the admission of additional categories of students (magistrate’s court judges and court of audit judges) and the offer of additional courses to provide new skills, managerial, digital and judicial; the provision of mandatory lifelong training to judges, in topics essential for the performance of their duties. The creation of a new National School for Judicial Clerks will complete the reform, which will be fully implemented by 31 December 2024. Target #224 is the first target which is part of this reform. It consists of the enrolment of ten magistrate’s court judges at the National School of Judges and, as such, specifically relates to the second element of the overall reform, aiming at adding a new category of eligible judges to the students at the National School of Judges. Target #224 will be followed by Target #228 (due by Q1 2023), regarding the enrolment of an			

additional 14 magistrate's court judges and of 1 judge of the court of audit at the National School of Judges, bringing the total number of judges enrolled to 25. The last milestone in this reform, Milestone #235 (due by Q4 2024), consists of the implementation of changes in the syllabus of the National School of Judges, the full operationality of the National School for Judicial Clerks, the provision of lifelong training to judges and judicial clerks and the enrolment of 65% of judges and judicial clerks in lifelong training.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying how the target (including the relevant elements of the target, as listed in the description of target and of the corresponding measure in the Council Implementing Decision annex) was satisfactorily fulfilled.
2. Document signed by the Minister of Justice and containing a list of the enrolled 10 magistrate court judges.

The authorities also provided:

1. Copy of the Joint Ministerial Decision of the Ministers of Finance, Development and Justice No. 28854/09.07.2021, Official Journal C 1593/16.07.2021 containing the notice of a competition for the admission of students at the National School of Judges), including Magistrate's court judges,
2. Copy of the Joint Ministerial Decision of the Ministers of Finance, Development and Justice No. 41437oik, Official Journal C 1975/01.09.2021, regarding an amendment to the Joint Ministerial Decision of the Ministers of Finance, Development and Justice No. 28854/09.07.2021 on the notice of a competition for the admission of students at the National School of Judges notice of competition
3. Copy of the table of final results, according to the order of success, of the 28th entrance competition, section of magistrate's court judges, as drawn by the competition committee, (Official Journal C 13/17.01.2022, regarding the tables of entrance to the National School of Judges).
4. A certificate issued by the director of the National School of Judges confirming the enrolment of the successful candidates and
5. A signed participants' list for confirming attendance by the enrolled Magistrate Court Judges of the relevant courses throughout February 2022.

Analysis:

In line with the Council Implementing Decision requirements, Greece completed the enrolment of ten magistrate's court judges in the National School of Judges.

In particular, the two joint ministerial decisions regarding the competition to enter the National School of Judges for the years 2022-2023 provided for the enrolment of ten magistrate's court judges. The entrance exams results, as published in the submitted issue of the Official Journal, no. C-13 of 17 January 2022, listed the successful candidates, whose subsequent enrolment at the school was duly certified by the Director of the School and confirmed by the document issued by the Minister of Justice. Actual attendance, as of February 2022, of the courses given at the magistrate's court department of the National School of Judges, was certified by virtue of the submitted signed participants' list.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number 240	Related Measure: Enhanced capital market supervision and trustworthiness (Measure ID: 16581)	
Name of the Milestone: Capital markets, supervision, digitalisation of supervisory processes, Capital Market Union (CMU)		
Qualitative Indicator: Entry into force of legislation (reference to Official Journal)		Time: Q4 2021
Context: The objective of this reform is to enhance capital market supervision. This is done by means of investing in the digital transformation of the Hellenic Capital Market Commission and codifying and modernising the regulatory and legislative framework for the capital market to improve supervision capacity. The milestone requires the entry into force of a new law on the Hellenic Capital Market Commission, which amends its internal processes and organisation, and modernises the regulatory and legislative framework for capital markets to enhance capital-market’s supervision capacity. This milestone (#240) concerns the first step of implementation of the reform, and it will be followed by milestone #243 on the operationalisation of the IT system (due in Q4) 2025.		
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: i. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. ii. Copy of Law 4916/2022, Official Journal A 65/28.03.2022, “<i>Modernisation of the operational framework of the Hellenic Capital Market Commission</i>”.		
Analysis: In line with the requirements of the Council Implementing Decision, Law 4916/2022 entered into force with its publication on 28 March 2022, as provided by article 92. The new law amends the Hellenic Capital Market Commission’s internal processes and organisation. The law’s stated objective is to strengthen the powers of the Hellenic Capital Market Commission and its Board of Directors and to modernise its organisation and internal processes, in order to improve its functioning and supervision. More specifically: • Article 3 provides that the Hellenic Capital Market Commission can issue recommendations to supervised entities for certain infringements, rather than imposing sanctions. This provision intends to enhance prudential supervision and avoid spending time on administrative procedures, in cases where a supervised entity takes appropriate compliance measures and adheres to its legal obligations. Further, Article 6, which relates to the legislation that provides the Hellenic Capital Market Commission the power to impose sanctions, sets a limitation period of five years for infringements of the provisions of that legislation, with the aim to strengthen legal certainty and comply with the principle of good administration. • Article 4 introduces specific responsibilities of the Hellenic Capital Market Commission’s Board of Directors, which is mandated with the overall risk management strategy, policy and framework. Among others, the Board of Directors establishes: - the Internal Rules of Procedure; - the Strategic Plan, which defines the long-term strategic direction and the short- and medium-term strategic objectives, as well as the mission and core values of the Hellenic Capital Market Commission; - the Annual Business Plan, which includes the action programs and operational plans of		

the Hellenic Capital Market Commission; - the Annual Report, which presents the work and results of the Hellenic Capital Market Commission, in relation to the objectives of the Annual Business Plan of the previous year. Article 4 further specifies other organisational and budgetary responsibilities of the Hellenic Capital Market Commission's Board of Directors. • Article 5 provides for the publication of the decisions of the Hellenic Capital Market Commission, with the intention to ensure transparency in the conduct of its activities. • Article 8 amends the organisational structure of the Hellenic Capital Market Commission, including by adding new Directorates, with the objective that the Hellenic Capital Market Commission fulfils its responsibilities. Specifically, Article 8 (as further articulated in Article 9) introduces a separate Evaluations Directorate, which is responsible for assessing cases handled by the Directorates or Units of the Hellenic Capital Market Commission, when it has initiated a procedure for imposing penalties for infringements of capital market legislation and withdrawing a licence for supervised entities. The objective is that the supervision, evaluation and imposition of sanctions is carried out by different bodies, which is similar to practices implemented by other EU supervisory bodies (for example, the European Securities and Markets Authority). • Article 10 updates the provisions regarding the Hellenic Capital Market Commission's internal rules of procedure, further specifying and complementing the list of the main elements that should be contained therein.
Commission Preliminary Assessment: Satisfactorily fulfilled

Number 245	Related Measure: Basic & Applied Research (Measure ID: 16618)	
Name of the Milestone: Legislation on Basic & Applied Research		
Qualitative Indicator: Entry into force of legislation (primary and secondary acts establishing the legal entities)		Time: Q1 2022
Context: The objective of this investment is to support research and promote a ‘deep-tech’ innovation ecosystem through funding interdisciplinary Research and Development activities with industry implications. It consists of seven sub-projects that will provide financing for basic research, various areas of applied research, and Greece’s participation in European research partnerships. The milestone requires the entry into force of a revised legal framework for Basic and Applied Research, and the issuance of the acts establishing the entities that will implement the sub-projects. The legal framework shall: (i) redefine research areas for financing calls under the updated National Smart Specialization Strategy (RIS3); (ii) establish a new governance structure to improve management and coordination over these projects; and (iii) establish the legal status of research entities. This milestone (#245) concerns the first step of implementation of the investment, and it will be followed by milestone #250 on the completion of Basic and Applied Research sub-projects (due in Q4) 2025.		
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.		

2. Copy of Presidential Decree 5/2022, Official Journal A 15/04.02.2022, *“Organisation of the Ministry of Development and Investments”*.
3. Copy of Decision 24448 of the Minister of Development and Investments, Official Journal B 943/10.03.2021, *“Council for the National Smart Specialization Strategy (RIS3)”*.
4. Copy of amending Decision 60110 of the Minister of Development and Investments, Official Journal B 3056/17.06.2022, *“Council for the National Smart Specialization Strategy (RIS3)”*.
5. Copy of Decision 64463 of the Minister of Development and Investments, Official Journal B 3274/24.06.2022, *“Establishment and appointment of the members of the Council for the National Smart Specialization Strategy (RIS3)”*.
6. Copy of Decision 66021 of the Minister of Development and Investments, Official Journal B 3359/30.06.2022, *“Approval of the National Smart Specialization Strategy (RIS3) 2021-2027.”*
7. Copy of Law 4849/2021, Official Journal A 207/05.11.2021, *“Provisions concerning the Ministry of Development and Investments, including the establishment of a Planning and Coordination Unit for the National Smart Specialization Strategy (RIS3)”*.
8. Copy of Decision 140075/22.12.2021 of the Alternate Minister of Development and Investments (as corrected on 09.06.2022), *“Research entity to implement Subproject 1: provision of horizontal financing for basic research”*.
9. Copy of Decision 10905/03.02.2022 of the Alternate Minister of Development and Investments, *“Research entity to implement Subproject 2: financial support to flagship research projects in interdisciplinary sectors with practical applications for the Greek economy”*.
10. Copy of Board Decision 483/37-6 of 17.06.2022, *“Research entity to implement Subproject 3: financial support to applied research for precision medicine”*.
11. Copy of Board Decision 324 of 24.03.2022, *“Research entity to implement Subproject 4: provision of funding for an unmanned systems research and development centre to support applied research on drones”*.
12. Copy of Board Decision 312 of 15.11.2021, *“Research entity to implement Subproject 5: establishment of an applied Research and Innovation institute on artificial intelligence, data processing and algorithm development.”*
13. Copy of Board Decision 699 of 22.12.2021, *“Research entity to implement Subproject 6: financial support for the delivery of market-translatable sustainable materials technologies.”*
14. Copy of Decision 40693 of the Alternate Minister of Development and Investments and the Minister of State, Official Journal B 2023/20.04.2022, *“Research entity to implement Subproject 7a: financial support for the participation in European partnerships - Euro-HPC (High Performance Computing)”*.
15. Copy of Decision 136034 of the Minister of Development and Investments, Official Journal B 6063/22.12.2021, *“Research entity to implement Subproject 7b: financial support for the participation in European partnerships - Key Digital Technologies”*.
16. Report of 21 July 2022 by the General Secretariat of Research and Innovation.

Analysis:

In line with the requirements of the Council Implementing Decision, the legislative and legal acts were adopted and entered into force as outlined below.

The redefinition of research areas in the National Smart Specialization Strategy followed an extensive consultation process that involved various stakeholders, such as business representatives, academia, public authorities, funding bodies and civil society, as well as the National Council for Research and Innovation and the General Secretariat of Research and Innovation. This ensures that the designated areas align academic research, national economy and industry priorities, with the objective to promote Greece’s innovation ecosystem (see further details in point (i) below). The new governance structure that was established in the context of the National Smart Specialization

Strategy includes the adoption of novel organisational solutions, as well as the integration and adjustment of good past governance practices, in order to contribute to the efficient implementation and financing of basic and applied research projects (see further details in point (ii) below). Finally, Greece has successfully mandated the implementation of the measure's sub-projects to research entities, through issuing all necessary acts for that purpose (see further details in point (iii) below).

Specifically, for each of the milestone requirements:

(i) Redefinition of research areas: Research priority areas for financing calls under the National Smart Specialization Strategy were redefined in the updated National Smart Specialization Strategy that was adopted through the Decision by the Minister of Development and Investments 66021 (entered into force with its publication on 30.06.2022, as provided in section 2 of the Decision), and include the following thematic sectors.

- (a) Agrifood / AgriTech
- (b) Environment / Sustainable Development / Circular Economy
- (c) Energy
- (d) Health / Pharma
- (e) Information and Communication Technologies
- (f) Advanced Materials and Engineering devices
- (g) Smart Transportation / Logistics
- (h) Culture / Tourism / Creative Industries.

The research areas were defined jointly by the National Council for Research and Innovation and the General Secretariat of Research and Innovation of the Ministry of Development and Investments. Specifically, advisory groups that were appointed by the General Secretariat of Research and Innovation, proposed priority research areas and topics in the relevant thematic sectors, which were subject to public consultation. These proposals were submitted to the National Council for Research and Innovation that expressed its views on the proposed priorities. Consequently, the advisory groups elaborated the input provided through the public consultation and by the National Council for Research and Innovation, and drafted final proposals that have been approved by the political leadership of the General Secretariat of Research and Innovation.

(ii) Establishment of a new governance structure: The National Smart Specialization Strategy as approved by the Decision 66021 by the Minister of Development and Investments, provides a detailed description of the new governance structure concerning research areas for financing calls under that Strategy. In particular:

- (a) The National Smart Specialization Strategy Council has been established by the Decision of the Minister of Development and Investments 24448 (entered into force with its publication on 10.03.2021, as provided in article 4). This Council has a decision-making and strategic role in the implementation of the National Smart Specialization Strategy, by recommending to the Minister of Development and Investments the approval of the National Smart Specialization Strategy, as well as any relevant amendments following evaluation.
- (b) A Planning and Coordination Unit for the National Smart Specialization Strategy in the Ministry of Development and Investments has been established by article 79 of Law 4849/2021 (entered into force with its publication on 05.11.2021, as provided in article 112), with the mission to program, manage and coordinate the implementation of the National Smart Specialization Strategy.

In addition, Presidential Decree 5/2022 (entered into force ten days after its publication on 04.02.2022, as provided by article 87) redefines the organisational structure of the Ministry of Development and Investments and, within that Ministry, the General Secretariat of Research and Innovation, and this is expected to improve management and coordination of research initiatives.

This is envisaged to be achieved, for example, by establishing Directorates and Units of the General Secretariat of Research and Innovation with defined objectives, roles and responsibilities, including a special Unit for the coordination and implementation of actions under the research, technological development, and innovation domains.

(iii) Establishment of research entities to implement sub-projects: The authorities have adopted the legal acts that establish which legal entities will implement all new Basic and Applied Research sub-projects described in the Council Implementing Decision. These mandates ensure that the research entities have the appropriate legal status to implement the new sub-projects.

- (a) The sub-project on the 'provision of horizontal financing for basic research' will be implemented by the Hellenic Foundation for Research and Innovation, as mandated by the relevant Decision of the Deputy Minister of Development and Investments (140075/22.12.2021, as corrected on 09.06.2022).
- (b) The sub-project on the 'financial support to flagship research projects in interdisciplinary sectors with practical applications for the Greek economy' will be implemented by the General Secretariat of Research and Innovation, as mandated by the relevant Decision of the Deputy Minister of Development and Investments (10905/03.02.2022).
- (c) The sub-project on the 'financial support to applied research for precision medicine' will be implemented by the Foundation for Research and Technology Hellas, as mandated by the relevant Decision of the Foundation's Board of Directors (Board meeting 483/17.06.2022), in the context of the Hellenic Precision Medicine Network.
- (d) The sub-project on the 'provision of funding for an unmanned systems research and development centre to support applied research on drones' will be implemented by the Robotics Unit within Athena Research and Innovation Centre, as mandated by the relevant Decision of the Centre's Board of Directors (Board meeting 324/24.03.2022).
- (e) The sub-project on the 'establishment of an applied Research and Innovation institute on artificial intelligence, data processing and algorithm development' will be implemented by the Archimedes Unit within Athena Research and Innovation Centre, as mandated by the relevant Decision of the Centre's Board of Directors (Board meeting 312/15.11.2021).
- (f) The sub-project on the 'financial support for the delivery of market-translatable sustainable materials technologies' will be implemented by the Institute of Nuclear and Radiological Sciences and Technology, Energy and Safety within the National Centre for Scientific Research 'Demokritos', as mandated by the relevant Decision of the Centre's Board of Directors (Board meeting 699/22.12.2021).
- (g) The sub-project on the 'financial support for the participation in European partnerships' concerns the following:
 - Euro-HPC (High Performance Computing), which will be implemented by the General Secretariat of Research and Innovation, as mandated by the relevant Decision of the Minister of the State and the Deputy Minister of Development and Investments (40693/20.04.2022).
 - Key Digital Technologies, which will be implemented by the General Secretariat of Research and Innovation, as mandated by the relevant Decision of the Deputy Minister of Development and Investments (136034/22.12.2021).

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 246	Related Measure: Creation-Expansion-Upgrade of Infrastructures of Research Centres supervised by the General Secretariat for Research and Innovation (GSRI)
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(Measure ID: 16624)	
Name of the Milestone: Call for proposals for Research Centres	
Qualitative Indicator: Launched call for proposals and tender specifications published	Time: Q1 2022
Context: The objective of this investment is to enhance research capacity and capabilities in important scientific and technological areas. This is to be done by means of creating, expanding and upgrading of the infrastructures of research centres and technological institutions. Milestone #246 requires the launch of the calls for proposals for the creation, expansion and upgrade of the infrastructures of the aforementioned organisations, including the publication of tender specifications that shall ensure that the selected applications comply with the Do No Significant Harm Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. This milestone (#246) concerns the first step of implementation of the investment, and it will be followed by milestone #247 on the contracts' award (due in Q1 2023), and by milestone #249 on the projects' completion (due in Q4 2025).	
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. 2. Copy of the publication of the call for proposals addressed to research centres No. 33904 of 31.03.2022. 3. Copy of the publication of the call for proposals addressed to technological institutions No. 33901 of 31.03.2022. 4. Copy of the publication of the amending call for proposals addressed to research centres No. 49139 of 12.05.2022. 5. Copy of the publication of the amending call for proposals addressed to technological institutions and Epirus S.A. No. 49138 of 12.05.2022. 6. Justification on the technical specifications of the calls. 7. Extract of the relevant parts of the technical specifications in the call for proposals addressed to research centres No. 33904 of 31.03.2022 containing the selection criteria that ensure compliance with Do No Significant Harm requirements. 8. Extract of the relevant parts of the technical specifications in the call for proposals addressed to technological institutions No. 33901 of 31.03.2022 containing the selection criteria that ensure compliance with Do No Significant Harm requirements.	
Analysis: In line with the requirements of the Council Implementing Decision, two calls for proposals were published on 31 March 2022, one for research centres and one for technological institutions. Specifically: i. the call addressed to the research centres concerned the Foundation for Research and Technology Hellas; Athena Research and Innovation Centre; Biomedical Sciences Research Centre (BSRC) Fleming; Centre for Research and Technology Hellas; National Hellenic Research Foundation; Biomedical Research Foundation Academy of Athens; National Observatory of Athens; Hellenic Centre for Marine Research; Hellenic Pasteur Institute; and National Centre of Social Research; ii. the call addressed to the technological institutions concerned NOESIS - Thessaloniki Science Centre and Technology Museum; Greek Atomic Energy Commission; Patra's Science Park;	

and to the Local Government Development Agency 'Epirus S.A.' for the establishment of a High Technology and Research Park in the Region of Epirus.

The research centres and technological institutions supervised by the General Secretariat for Research and Innovation that were addressed in the calls correspond to those that are referred to in the description of the measure in the Council Implementing Decision. Amended versions of the calls were published on 12 May 2022, with the purpose of extending the deadline for submission of proposals to 31 May 2022 (from 13 May 2022). Section 6.1 of the calls demonstrates that the competition was open to applications from the aforementioned entities (points i and ii above).

Annex Z to the calls provides a description of the type of the creation, expansion or upgrade activities that each of these entities is expected to implement in order to enhance their research capacity and capabilities in important scientific and technological areas.

Further, the calls include tender specifications, which require that the selected applications should comply with the Do No Significant Harm Technical Guidance (2021/C58/01). Specifically, the eligibility criteria contained in the terms of reference in Section 4.2 of the calls exclude the following list of activities: (i) activities related to fossil fuels, including downstream use; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks; where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible should be provided; (iii) activities related to waste landfills, incinerators and mechanical biological treatment plants; and (iv) activities where the long-term disposal of waste may cause harm to the environment (the relevant exclusion list footnotes are also indicated). The terms of reference in Sections 4.2 and 4.3 of the calls additionally require that only activities that comply with relevant EU and national environmental legislation will be selected. Section 6.1 of the calls also provides that the General Secretariat for Research and Innovation will examine whether the proposed activities comply with the Do No Significant Harm Technical Guidance (2021/C58/01). The aforementioned provisions in the tender specifications are compliant with the relevant Council Implementing Decision requirements.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 254	Related Measure: Central Greece Highway E-65: Trikala-Egnatia Section (16628)	
Name of the Milestone: Start of construction works in E-65		
Qualitative Indicator: Report by an independent engineer ratified by Ministry of Infrastructure		Time: Q2 2022
Context: The objective of the investment is the full construction (main road, service roads / connecting roads and supplementary works) of a total length of 70 km of the northern section of the E-65 motorway, specifically the Trikala – Egnatia section. The investment is expected not to do significant harm to the environment and is subject to an Environmental Impact Assessment to ensure that the Do No Significant Harm principle is integrated into the project and strictly complied with at the stages of construction, operation and decommissioning of the infrastructure. This milestone (#254) concerns the start of construction works on the relevant section of the E-65 motorway.		

The next milestone #255 (due in Q3 2023), requires the completion of 60% of the value of the construction works for the E-65 as certified by an Independent Engineer, and the last milestone #256 (due in Q2 2025), concerns the completion of the project.

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying that the milestone was satisfactorily fulfilled.
2. Certification Ref. No. CC2.U.IE.811.FW.019833/6.8.2021 of the Independent Engineer which certifies that the starting date of the works in 3 August 2021.
3. Report No. CC2.L.IE.811.00.021285 of the Independent Engineer on the progress of the works of 21 April 2022, specifying that the Concession Holder had prepared the appropriate infrastructure to support and start up construction activities;
4. Accompanying letter No. 139166 of 9 May 2022 of the Ministry of Infrastructure;
5. Report of Independent Engineer No. CC2.U.IE.811.FW.020539 of 20/12/2021 on the progress of the works.
6. Decision of the Ministry of Infrastructure ΕΥΔΕ/ΚΣΕΣΠ/Γ/Φ1.1/ 372492 of 22 December 2021 approving payment to the contractor.
7. Decisions No. 9728 of 21 May 2018, 151991 of 16 December 2015, 172041 of 26 November 2013 of approval by the Ministry of Environment and Energy of the Environmental Impact Assessments.

The authorities also provided:

1. Detailed works schedule until completion of the project; and
2. Succinct works schedule until completion of the project.

Analysis:

In line with the Council Implementing Decision, the Independent Engineer issued two reports, both of which demonstrate the start of works.

Report No. CC2.U.IE.811.FW.020539 of 20 December 2021 certifies that the works' progress was at 3.019%. This was ratified by the Ministry of Infrastructure with the decision ΕΥΔΕ/ΚΣΕΣΠ/Γ/Φ1.1/ 372492 of 22 December 2021 by which the Ministry approved the amount of EUR 38.047.494 for the payment to the Concession Holder. This confirms that works have started.

Report No. CC2.L.IE.811.00.021285 of 21 April 2022 specifies that the Concession Holder had prepared the appropriate infrastructure to support and start up construction activities (establishment of site offices and quality control laboratory, access roads to the project area, mobilisation of engineering equipment and cement mills, etc.) with a view to a smooth implementation of the approved timetable. This report was also endorsed by the Ministry of Infrastructure and Transport by letter No. 139166 of 9 May 2022, and confirms that the preparatory actions necessary for the start and completion of the works have been completed.

Regarding the environmental impact, the Environmental Impact Assessment studies were conducted in accordance with Directive 2011/92/EU (on the assessment of the effects of certain public and private projects on the environment) and Directive 92/43/EEC (on the conservation of natural habitats and of wild fauna and flora) and were approved by the Ministry of Environment and Energy in 2013, 2015 and 2018. The design of the road was altered to have as little impact on the environment as possible. Notably, the initial design has been modified in order to bypass an environmentally sensitive area, hosting certain protected species, like the brown bear and the wolf. The design modifications concern, mainly the reduction in the altitude of the motorway (from 950m

to 650m), the reduction of the length of the bridges and tunnels, and an increase in the total length of the motorway (from 64 km to 70.5 km). The approved environmental impact assessment studies also require that the construction waste is reused to a maximum extent in the construction itself, and that the remainder is disposed according to the Greek legislation. The decision 9728 of 21 May 2018 and in particular article 5, details the compulsory measures to which the concessioner needs to comply in all stages of the project and during operation of the motorway. Article 2 describes the basic characteristics of the project area and sensitive environmental elements. Article 3 defines the specific emission limit values for polluting loads and concentrations, Article 4 the specific limit values for noise and vibration levels, article 5 defines the conditions, measures and restrictions to be taken to address (prevent – minimise – remedy) potential environmental impacts. The measures described in article 5 include the completion of the designs, the use of materials, energy efficiency, waste and wastewater management, reduction of impacts on the natural environment, flora and fauna, flood and fire protection and other. Article 5.6 specifies that the implementation of the environmental protection measures including during the operation of the motorway are compulsory.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number 264	Related Measure: Organisational reform in the railways sector (16982)	
Name of the Milestone: Railways reform law		
Qualitative Indicator: Entry into force of primary and secondary legislation		Time: Q2 2022
Context: The objective of the reform is to make the Greek rail sector more efficient, integrated, modern and responsive to customer demand. Milestone #264 concerns the entry into force of primary and secondary legislation for the complete reorganisation of the public companies OSE and ERGOSE, allowing them to develop, operate and maintain a modern railway network. The reorganisation envisaged by this milestone #264 is done on the basis of the railways’ roadmap comprising the steps for the complete re-organisation of the companies OSE S.A. and ERGOSE S.A., prepared for the fulfilment of milestone 263 under the first payment request. Milestone #264 is the second milestone of this reform, followed by milestone #268 (due in Q4 2023), which requires the implementation of the organisational reform in the railways sector.		
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. 2. A Copy of Law 4974/2022 published in Official Journal A’/185/29.09.2022 containing provisions for the public interurban and urban routine passengers road transport, organisational reform of OSE S.A. and ERGOSE S.A. 3. A Copy of Law 4972/2022 published in Official Journal A’/5997 of 23.09./2022) on Corporate Governance of Public limited companies. 4. A Copy of Ministerial Decision 302457 published in Official Journal 5126 of 30.09.2022 defining railway project construction procedures; a mechanism for the reception of projects		

and a mechanism for monitoring their development as well as costing and pricing principles between OSE S.A. and ERGOSE S.A.

5. A Copy of Ministerial Decision 302225 published in Official Journal 907 of 30.09.2022 containing the establishment of a Special Monitoring Committee.
6. A Copy of Joint Ministerial Decision 313447 published in Official Journal 5244 of 10.10.2022 with the purpose and timetable of the Strategic Rail Investment Plan on multiannual financial Framework (Official Journal 5244/10.10.2022).
7. A Copy of the Ministerial Decision no 336598 amending the Ministerial Decision 4614/ΑΠΦ/1796/27.03.2020.amending the Decision of the Minister of Infrastructure and Transport 4614/ΑΠΦ/1796/27.03.2020.

The Authorities also provided:

1. Special Report of the Ministries of Finance and Infrastructure and Transport of 21 September 2022 on the draft law for the public interurban and urban routine passengers road transport, organisational reform of OSE S.A. and ERGOSE S.A.
2. General accountants' office report no 233/15/2022 of 21 September 2022 on the draft law for the public interurban and urban routine passengers road transport, organisational reform of OSE S.A. and ERGOSE S.A.

Analysis:

In line with the requirements of the Council Implementing Decision, the relevant primary and secondary legislation has entered into force to allow the two companies, OSE and ERGOSE, to develop, operate and maintain the railway network. All the primary and secondary legislation listed under evidence entered into force on the date of publication. Entry into force of each legislative act is provided, respectively, by article 192 of law 4972/2022, article 62 of law 4974/2022, article 3 of Ministerial Decision 302225, and article 3 of Joint Ministerial Decision 313447. Entry into force of Ministerial Decision 302457, Official Journal 5126/30.09.2022 is the date of its publication as there is no relevant article for entry into force.

Arm's length management of OSE and ERGOSE by the Ministry of Infrastructure and Transport is introduced by articles 40, 45, 46, 47 and 48 of law 4974/2022 and article 191 of law 4972/2022 on State Owned Enterprises (SOEs). The articles specify that the companies have full operational autonomy to achieve their defined objectives and that the companies' boards have the ability to exercise their responsibilities in line the best practices outlined in the OECD Guidelines on Corporate Governance of State-Owned Enterprises.

In particular, article 191 of law 4972/2022 and Article 43 of law 4974/2022 stipulate that decisions about the organisation structure and numbers of specific types of staff is the responsibility of the companies, in independence from the Ministry of Infrastructure and Transport. Art. 191 of the allows for a higher flexibility of the two companies in terms of recruiting and remuneration, by indicating that OSE and ERGOSE can recruit the appropriate staff and improve performance including through setting a policy of bonuses upon achievement of specific quantifiable targets decided by the board of directors. Articles 46 and 47 of law 4974/2022 concern the governance of the two companies. The legislation specifies that the procedure will be determined by the Ministry of Infrastructure and Transport in accordance with the legislation in force, and provides for the establishment of a Selection Committee of at least three members, out of which one representative of the Ministry of Infrastructure and Transport, one representative of the 'Hellenic Corporation of Assets Holding S.A.' and one independent member with extensive international expertise in the field of human resources. The Railways Roadmap noted that a crucial specific key tool for arm's

length management is the use of performance contracts between the Ministry of Infrastructure and Transport and individual companies. The provision of such multi-year performance contracts with OSE and ERGOSE with annual performance monitoring linked to executive remuneration are included in article 45 of the law 4974/2022. The possibility of performance-related bonuses for other staff is included in article 191 of law 4972/2022.

Based on the above provisions, an arm's length management of OSE and ERGOSE by the Ministry of Infrastructure and Transport is established in the legislation, with the Ministry focusing on the core tasks of setting the framework conditions, funding framework and strategic priorities for the railways sector, and the companies OSE and ERGOSE having the autonomy and the means to implement the government's policy.

The precise **clarification of responsibilities between the two companies** is achieved in law 4974/2022, which enacts the separation of ERGOSE from OSE in Articles 38 and 39. A clear separation of responsibilities of the two companies in line with the set of responsibilities agreed in the Roadmap: under article 41, OSE is responsible for all maintenance and upgrading works and equipment in the network in operation (including the network temporarily out of operation), whilst under article 42, ERGOSE is responsible for the development of new rail lines outside this operational network. The governance of rail construction contracts carried out by ERGOSE on behalf of OSE is addressed through a Ministerial Decision on "procedures for the construction of railway projects, the mechanism for receiving them and the mechanism for monitoring the development of projects" (Ministerial Decision 302457 published in OJ 5126 of 30.09.2022). The Ministerial Decision lays down common conditions and procedures to be followed for the award of projects by OSE S.A. to ERGOSE S.A. and for their execution, and defines the framework and principles of cooperation between OSE S.A. and ERGOSE S.A. during the implementation of the above projects. The Decision also defines the technical specifications of the projects, the procedure for monitoring, the corrective procedures and actions to address any deviations from the time and financial planning for the implementation of projects, the provisions on corrective measures and compensation in the event of delays, failure to comply with project specifications and cost overruns and the mechanism for the receipt by OSE S.A. of the completed studies and projects.

On this basis, the clarification of the responsibilities between OSE and ERGOSE through the entry into force of law 4974/2022 allows the two companies to develop, operate and maintain a modern railway network, as required by the Council Implementing Decision.

A comprehensive multi-year financing plan associated with performance contracts is included in law 4964/2022. Article 40(3e) requires the establishment of a multiannual financing plan covering a strategic rail investment programme for the maintenance, repair, expansion and renewal of the rail network based upon available state budget and EU funds. The Joint Ministerial Decision 313447 published in OJ 5244 of 10.10.2022 provides the contents and timetable of the Strategic Rail Investment Plan that includes the conclusion of the multiannual financial framework in parallel with the 2023 Budget.

Technical and Administrative strengthening of OSE and ERGOSE: The new law contains provisions for reinforcing the engineering, human resources and IT capacities of OSE and ERGOSE including provisions for ERGOSE to obtain highly skilled technical and specialised administrative staff necessary for its operation and to entrust consultancy services to domestic and foreign bodies. These are included in articles 43 and 44 of the law 4974/2022.

Financial and economic sustainability: The issue of the financial and economic sustainability of the railway lines is addressed in article 40 paragraph 4, which establishes that OSE and ERGOSE have

the obligation to prepare and submit to the Ministry of Infrastructure and Transport feasibility studies specifying the needs for the development of the rail network, including traffic predictions and costing. For each proposed project, the financial, economic, social and environmental aspects are taken into account.

Finally, the monitoring of the implementation of the reform is ensured by the Special Monitoring Committee, which was set up by article 49 of the law 4974. The details regarding the fulfilment of this role by the Special Monitoring Committee are specified in the Ministerial Decision No. 302225, which establishes the role of the Committee to coordinate and monitor the implementation of the law 4974/2022 and to monitor the implementation of ongoing contracts between OSE S.A. and ERGOSE S.A. The wider coordination of the institutional reform will be ensured by the Steering Committee on railways that was set by MD no 4614 of 27.03.2020 and amended by the Ministerial Decision 336598.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number 292	Related Measure: Tourism Development (16931)		
Name of the Milestone: Tourism development: reform for tourist ports			
Qualitative Indicators: 1. Entry into force of amendments to law 2160/1993 on tourist ports. 2. Entry into force of amendments to laws 4179/2013 and 4276/2014 concerning ski resorts. 3. Report attesting the establishment of the Project Management Office.			Time: Q1 2022
Context: The objective of this measure is to extend the tourism season in Greece beyond the summer months and promote alternative forms of tourism, thus contributing to economic resilience, sustainable growth and social and territorial cohesion. To this end, the measure envisages two parts: 1. Green Development, i.e. development of mountain tourism; and 2. Blue Development, i.e. interventions to improve the governance of and upgrading tourist ports’ infrastructure. Milestone #292 envisages the amendments to the legal framework regulating tourist ports and ski resorts with the aim to encourage new investments. To this end, the milestone requires, among others, amendments to the legal provisions on installation and operation licensing for both tourist ports and ski resorts, in line with the Investment Licensing Law 4442/2016. The milestone also envisages the establishment of a Project Management Office for supervision of investments in upgrading tourist ports. This milestone (#292) is the first under this measure and will be followed by two milestones (#295, due in Q4 2023 and #297, due in Q4 2025), which concern the award of contracts for investments in tourist port upgrades, and the completion of works and other actions to improve the management, governance, infrastructure and services for Green and Blue Development, respectively.			
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled.			

Tourist ports

2. Copy of Law 4974/2022, Official Journal A 185/29.09.2022, *"Provisions on public inter-urban and urban regular carriage of passengers by road. Re-organization of OSE S.A. and ERGOSE companies S.A. and other provisions"*, which, inter alia, regulates the creation, commercial exploitation, zoning, tendering, and installation licensing of tourist ports
3. Copy of Law 4933/2022, Official Journal A 99/20.05.2022, *"Adaptation of Greek legislation to Directive (EU) 2019/2161 of the European Parliament and of the Council of 27 November 2019 amending Council Directive 93/13/EEC and Directives 98/6/EC, 2005/29/EC and 2011/83/EU of the European Parliament and of the Council as regards better enforcement and modernisation of Union consumer protection rules and other provisions"*, which amends articles 30-31 of Law 2160/1993 concerning, inter alia, the use, commercial exploitation and zoning of tourist ports
4. Copy of Law 4926/2022, Official Journal A 82/20.04.2022, *"Modernisation of the institutional framework for the operation of recreational vessels, the strengthening of the competitiveness of the professional pleasure boats sector and other provisions"*, which, inter alia, regulates the creation, commercial exploitation, zoning, tendering, and operation licensing of tourist ports
5. Copy of Law 4914/2022, Official Journal A 61/21.03.2022, *"Management, control and implementation of development interventions for the programming period 2021-2027, establishment of a public limited company "National Register of start-ups A.E." and other provisions"*, which regulates, inter alia, responsible authorities for the imposition of sanctions for the operation of recreational activities within tourist ports
6. Copy of Joint Ministerial Decision 18699/5109 of Ministers of Finance, Development and Investment, Environment and Energy, and Tourism, Official Journal B 5109/29/09/2022 *"Specifications of the procedure for registering electronically the tourist port concession contract"*
7. Copy of Joint Ministerial Decision 18702/5109 of Ministers of Finance, Development and Investment, Environment and Energy, and Tourism, Official Journal B 5109/29/09/2022 *"Definition of the zoning procedure for tourist ports"* in accordance with the authorising provision of par. 9 of article 287A of Law 4442/2016
8. Copy of Joint Ministerial Decision 65006/3364 of the Ministers of Finance, Development and Investment, Environment and Energy, Culture and Sport, Interior, Digital Governance, Tourism, Climate Crisis and Civil Protection, and State, Official Journal B 3364/30.06.2022 *"Establishment of a procedure, requirements, fees and penalties for granting an approval for the establishment and operation of certain recreational activities (including within tourist ports)"*
9. Copy of Joint Ministerial Decision 13387/3737 of the Ministers of Finance, Development and Investment, Climate Crisis and Civil Protection, Official Journal B 3737/15.07.2022 *"Determination of the procedure, requirements, fees and penalties for the notification of the operation of certain shops within tourist accommodation and within a special tourist infrastructure"*
10. Copy of Joint Ministerial Decision 14574/4027 of the Ministers of Tourism, and Environment and Energy, Official Journal B 4027/29/07/2022 *"Laying down a procedure for legalising the cases provided by article 31(4)(b) of Law 2160/1993"*, to settle deviations from the legal framework of existing tourist ports
11. Copy of Joint Ministerial Decision 14339/3810 of the Ministers of Finance, Development and Investment, Environment and Energy, Interior, Digital Governance, Climate Crisis and Civil

Protection, State, and Tourism, Official Journal B 3810/21/07/2022 *“Establishment of a procedure for issuing an authorisation for the operation of a tourist port activity”*

Mountain tourism / ski resorts

12. Copy of Law 4926/2022, Official Journal A 82/20.04.2022, *“Modernisation of the institutional framework for the operation of recreational vessels, the strengthening of the competitiveness of the professional pleasure boats sector and other provisions”*, which inter alia, regulates the operation and installation licensing of ski resorts
13. Copy of Joint Ministerial Decision 14807/4134 of the Ministers of Finance, Development and Investment, Environment and Energy, Digital Governance, Tourism, Climate Crisis and Civil Protection, Official Journal B 4134/03.08.2022 *“Establishment of a procedure for granting approval for the operation of ski resorts”*
14. Copy of Ministerial Decision 14015/3739 of the Minister of Tourism, Official Journal B 3739/15/07/2022 *“Specifications for the installation and terms of operation of ski resorts”*

Project Management Office

15. Copy of the official record for the staffing of the Project Management Office team and for the establishment of the Project Management Office in the Ministry’s premises

The authorities also provided:

Project Management Office

1. Copy of the Contract Award Decision of the Ministry of Tourism for the establishment of the Project Management Office
2. Copy of the contract “Provision of Project Management Office services to support the implementation by the Ministry of Tourism (Measure ID 16931) of the supervision of projects that have been included in the Recovery and Resilience Plan”, digitally signed by the Department Secretary of Ministry of Tourism indicated as “Appointing Authority”
Copy of the tender specifications launched for the establishment of the Project Management Office, issued by the Ministry of Tourism.

Analysis:

Tourist ports

In line with the requirements of the Council Implementing Decision to reform the legal framework for tourist ports, Greece has adopted several legislative acts to amend the existing legal framework (including Law 2160/1993) to attract new investments. These amendments are expected to attract new investments, as they contribute to faster and more predictable administrative zoning processes, to reduced administrative burden for investors, and to more effective tenders for the development of tourist ports by private investors. Specifically:

- Articles 87-93 (Part Θ, Chapter A) of Law 4926/2022 (which entered into force on 20 April 2022 as provided for by article 136 of that law), article 47 of Law 4933/2022 (which entered into force on 20 May 2022 as provided for by article 51 of that law), and articles 53-54 (Part E) of Law 4974/2022 (which entered into force on 29 September 2022 as provided for by article 62 of that law) have introduced regulatory improvements concerning the creation, operation, and commercial exploitation of each type of tourist port, the zoning process for the characterisation of the land area which can be used for this purpose, and the role of the Tourist Port Committee. The amendments also allow the operation of water aerodromes within tourist ports infrastructures to ensure access through seaplanes and settle issues concerning deviations from the regulation observed in existing tourist ports. In particular:
 - i. Article 53 of Law 4974/2022, which has amended article 31 of Law 2160/1993, has

reduced the level of detail in the technical design of works that must be specified during the first stage of the zoning process to the minimum required, thus reducing excessive administrative burden on potential investors and providing greater flexibility to the subsequent elaboration of the final design in the investment plan.

- ii. Article 53 of Law 4974/2022 has introduced a new simplified procedure for the amendment of the final zoning decision when a non-substantial change to the investment plan is necessary, also setting processing deadlines for the responsible authority.
- iii. Article 53 of Law 4974/2022 provides for the use of modern, investor-friendly IT tools in line with article 14 of Law 4442/2016 to support the application for zoning, also setting processing deadlines for the responsible authority. This is expected to expedite the process of zoning, whilst also increasing oversight ability of the responsible authority.
- iv. Article 54 of Law 4974/2022, which has amended Article 114 of Law 4926/2020, has introduced a more flexible tendering procedure for the development of marinas under certain conditions by making possible the signature of a concession agreement with an investor prior to the issuance of the final zoning decision. This makes possible to involve investors at an early stage of the procedure, allowing them to have a say on the design of works. In turn, this is expected to stimulate investors' interest and participation in tenders.

In addition, in line with the requirements of the Council Implementing Decision, Greece has also adopted amendments to align the installation and operation licensing of tourist ports with the provisions of Investment Licensing Law 4442/2016. This Law provides general guiding principles for a simplified licensing framework, in particular on the installation and operation of economic activities and the use of the dedicated digital tool envisaged by this Law (Integrated Licensing and Inspections Management System) to support these processes. The said amendments provide clarity and certainty to investors, and make use of simple, transparent and digitalised licensing processes within set deadlines, which are expected to attract new investments. Specifically:

- Articles 94-98 (Part Θ, Chapter B) of Law 4926/2022 (which entered into force on 20 April 2022 as provided by article 136 of that law), article 58 of Law 4974/2022 (which entered into force on 29 September 2022 as provided by article 62 of that law), and Article 75 of Law 4914/2022 (which entered into force on 21 March 2022 as provided by article 106 of that law), have introduced a new streamlined procedure for granting an approval by the licensing authorities for tourist ports to start operating in line with Law 4442/2016. *Inter alia*, the said articles: (i) provide for the use a modern IT tool for the submission of investors' applications to obtain, renew or amend an approval to operate; (ii) streamline the required documentation for this process; (iii) introduce processing deadlines for the licensing authorities and apply a 'silent consent' rule when these deadlines are not observed; and (iv) regulate aspects relating to the effective surveillance of tourist ports, and of certain economic activities established within the tourist ports
- Articles 55-57 (Part E) of Law 4974/2022 which entered into force on 29 September 2022 as provided for by article 62 of that law, have introduced an installation licensing framework for tourist ports (i.e. granting or amending an approval by the licensing authorities before such infrastructures can be established in a specific area) in line with Law 4442/2016, and link these new rules to the procedure for signing a concession agreement concerning the development of tourist ports by a private investor. The articles provide for the use of a modern IT tool to digitally capture and monitor relevant information and make the installation licensing process more efficient. Article 56 of Law 4974/2022 specifically regulates the licensing process of economic activities established within tourist ports with set deadlines for the licensing authority, also in line with Law 4442/2016.

In line with the requirements of the Council Implementing Decision, Greece has also adopted secondary legislation to reform the legal framework for tourist ports to fully operationalise and complement primary legislation provisions:

- Joint Ministerial Decision 18699/5109, which entered into force on 29 September 2022 as provided for by article 4 of that decision, has defined the procedure for registering and updating electronically all information relating to the concession agreement for tourist ports, the sanctions, and the responsibilities of the relevant inspecting authorities.
- Joint Ministerial Decision 18702/5109, which entered into force on 29 September 2022 as provided for by article 6 of that decision, has defined the procedure and content of the digital application for zoning for each type of tourist port, the fees, the supporting documents that need to be submitted by the investor, in accordance with the new provisions of Law 4442/2016.
- Joint Ministerial Decision 14339/3810, which entered into force on 21 July 2022 as provided for by article 11 of that decision, has defined the steps, requirements, fees, and sanctions for the newly introduced operational licensing process under Law 4442/2016.
- Joint Ministerial Decision 14574/4027, which entered into force on 29 July 2022 as provided for by article 6 of that decision, has defined the process for the settling of legal irregularities and deviations from regulations observed in existing tourist ports as per amended Article 31(4)(b) of Law 2160/1993, hence contributing to their unimpeded commercial exploitation, and potential investment upgrades.
- Joint Ministerial Decision 65006/3364, which entered into force on 30 June 2022 as provided for by article 17 of that decision, regulates the procedure, requirements, fees and penalties for granting an approval for the establishment and operation of certain recreational activities, including within tourist ports. This contributes to the application of simplified and digital licensing procedures for the said activities under Law 4442/2016.
- Joint Ministerial Decision 13387/3737, was published on 15 July 2022 and entered into force 60 days after its publication, as provided for by article 13 of that decision. It provides for a notification process for the operation of certain types of low-risk activities located within special tourist infrastructures, including tourist ports and ski resorts, hence alleviating the burden and delay of ex-ante controls before such activities begin to operate.

Mountain tourism / ski resorts

In line with the requirements of the Council Implementing Decision, Greece has adopted legislation to reform the legal framework for ski resorts, *inter alia* by amending Law 4179/2013 and Law 4276/2014, and has introduced amendments relating to the installation and operation licensing of ski resorts in line with the Law 4442/2016 on the Licensing of Economic Activities. The new legal provisions, which have been introduced in Law 4926/2022 and have entered into force on 20 April 2022, as provided for by Article 136 of that law, reduce the administrative burden and the overlap of responsibilities between the actors involved, through simpler, standardised digital procedures, to be executed within set deadlines. *Inter alia*, the alignment of the installation and operation licensing of ski resorts with the provisions of Investment Licensing Law 4442/2016, including via the use of the dedicated digital tool envisaged by this Law (Integrated Licensing and Inspections Management System) to support these processes contribute to greater speed and transparency in the provision of licensing services and hence are conducive to new investments. Specifically:

- Articles 99-109 (Part Θ, Chapter Γ) of Law 4926/2022 have introduced amendments to simplify the operating framework of ski resorts' activity. The amendments provide for a new efficient procedure for granting an approval for ski resorts to start operating, in line with Law 4442/2016 by envisaging the use of a modern IT tool for the submission of investors' applications, specific deadlines for the licensing authorities together with the application of a 'silent consent' rule when these are not observed.

- Article 110 (Part Θ, Chapter Γ) of Law 4926/2022, regulates the operation of special tourist infrastructure facilities, including ski resorts. It includes the enabling provision for the issuance of secondary legislation to regulate the terms and requirements for the installation of ski resorts in a specific area and the conditions for their operation.

In line with the requirements of the Council Implementing Decision, Greece has also adopted secondary legislation to reform the legal framework for ski resorts to fully operationalise and complement primary legislation provisions:

- Joint Ministerial Decision 14807/4134, which entered into force on 3 August 2022 as provided for by article 11 of that decision, (i) specifies licensing authorities' responsibilities; (ii) simplifies the requirements and documentation required for obtaining, renewing or amending an approval for operation of ski resorts ; (iii) establishes a standardised digital process for investors' applications; and (iv) specifies the mechanism for effective surveillance of ski resorts by clarifying responsibilities between actors involved, in line with the new provisions introduced in Law 4442/2016.
- Ministerial Decision 14015/3739, which entered into force on 15 July 2022 as provided for by article 9 of that decision, specifies the requirements for the installation of ski resorts in a specific area and the conditions for their operation.

Project Management Office

In line with the Council Implementing Decision requirement to establish a Project Management Office for the supervision of investments in the upgrade of tourist ports, Greece concluded a tendering procedure and signed a contract with a technical adviser on 26 July 2022, tasked with organising the operation of this Office. The contract states that the task of the technical adviser is to staff and operate a Project Management Office to support the Ministry of Tourism in its role as an implementing body under the Recovery and Resilience Facility by providing support, in the area of tourist ports, for detailed projects' design and maturity, tendering and contracting, coordination, communication, and the monitoring of projects' implementation.

Further, on 30 August 2022, the Ministry of Tourism and the technical advisor signed an official record in order to staff and allocate roles within the Project Management Office's team and to establish this Office in the Ministry's premises. This attests to the establishment of the Project Management Office.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 299	Related Measure: Amendment of the legal framework for the attraction of strategic investment (16593)	
Name of the Milestone: Strategic investments – legislative reform		
Qualitative Indicator: Entry into force of legislative amendments		Time: Q4 2021
Context: The objective of the reform is to promote Greece as an attractive destination to potential investors. To this end, it envisages the unification in one legal act of two different laws on strategic investments (Law 3894/2010 and Law 4608/2019), the creation of a new category of strategic investments with additional incentives ('Emblematic Investments of Great Significance'), the simplification and consolidation of the licensing procedure, and the inclusion of new fields of economic activity and potential Important Projects of Common European Interest in the existing		

regulatory framework. Investment plan proposals for becoming Emblematic Investments of Great Significance will be assessed by a dedicated scientific committee against well-defined criteria, including compliance with the Do No Significant Harm principle and national and EU environmental legislation, and compliance with the Primary Energy Demand requirements. Moreover, Emblematic Investments of Great Significance must not be restricted by budget or annual employment criteria, and shall promote specific economic objectives, as detailed also in milestone #299.

Milestone #299 is the first milestone envisaged for the completion of this measure. It concerns the entry into force of legislation to reform the legislative framework for strategic investments. It requires legal codification of Law 3894/2010 and Law 4608/2019, the introduction of a new strategic investments category 'Emblematic Investment of Great Significance' on the basis of criteria conducive to innovation or technology diffusion, use of renewables and transition to low carbon economy, and/or to significantly promote the competitiveness of the Greek economy at international level; and the introduction of provisions to help accelerate the administrative procedure related to the approval and licensing of a Strategic Investment.

This milestone (#299) will be followed by milestone #303 concerning the selection of 'Emblematic Investments of Great Significance' eligible for financing under the Recovery and Resilience Facility (due in Q4 2023), and milestone #308 concerning the completion of construction of the said projects (due in Q4 2025).

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled
2. Copy of the publication in the Official Journal of primary legislation:
 - Law 4864/2021, Official Journal 237 A/02.12.2021, 'Strategic investments and improving the investment environment through the acceleration of procedures in private and strategic investments, creation of a framework for the technological companies and other provisions'
 - Law 4887/2022, Official Journal A' 16/04.02.2022, 'Development Law, Greece Strong Development', which regulates, inter alia, the budget threshold for Emblematic Investments of Great Significance
3. Copy of the publication in the Official Journal of secondary legislation that is critical to achieve the objectives described in the milestone and the Council Implementing Decision:
 - Joint Ministerial Decision (JMD) 62147/507 of the Ministers of Finance and Development and Investment, Official Journal 507/22.06.2022, 'Establishment of a 3-memberscientific committee for the characterisation of investment plan proposals as Emblematic Investments of Great Significance, in line with the provisions of Law 4864/2021', to assess eligibility of such proposed investment plans for becoming Emblematic Investments of Great Significance against criteria and conditions set
 - Joint Ministerial Decision (JMD) YODD 62120/3142 of the Ministers of Finance and Development and Investment, Official Journal B 3142/22.06.2022, 'Defining the process for characterisation of investment plan proposals as Emblematic Investments of Great Significance of Law 4864/2021, the process of monitoring and control of their implementation, and the process for granting the aid to these investments', which

regulates procedural elements concerning the approval, monitoring and financial control framework for Emblematic Investments of Great Significance

- Joint Ministerial Decision (JMD) 70104/4791 of the Ministers of Finance and Environment and Energy, Official Journal B 3524/07.07.2022, 'Fees of certified assessors of environmental impact assessment studies', which regulates the fees of certified private-sector assessors for assessing the environmental impact studies for investment projects

The authorities also provided:

4. Announcement of a call for expression of interest to join the environmental assessors registry, uploaded on 15 July 2022 on the website of the Ministry of Environment and Energy (<https://ypen.gov.gr/prosklisi-ekdilosis-endiaferontos-gia-entaxi-sto-mitroo-pistopoiimenon-axiologiton-meleton-perivallontikon-epiptoseon-babe/>) to complete the administrative steps needed for the deployment of certified assessors of environmental impact assessments as regulated through JMD 70104/4791 and referenced in article 9(8) of Law 4864/2021 as per points 2 and 3 above

Analysis:

In line with the requirements of the Council Implementing Decision, Greece has reformed the legislative framework for attracting strategic investments by adopting primary legislation, i.e. Law 4864/2021 (Part A, articles 1-30) and Law 4887/2022 (including its article 138, which has amended article 2 of Law 4864/2021), which entered into force on 2 December 2021 (as provided for by article 97 of Law 4864/2021) and on 4 February 2022 (as provided for by article 155 of Law 4887/2022), respectively. The new legislative framework, i.e. Law 4864/2021 as amended by Law 4887/2022, has codified the provisions of two different Laws 3894/2010 and 4608/2019 into one law, thus helping to introduce more clarity, cohesion and transparency to potential investors and making Greece a more attractive investment destination.

In particular:

- Article 2(1)(y) of Law 4864/2021 has introduced a new category of strategic investments i.e. 'Emblematic Investments of Great Significance'. Eligibility criteria for becoming such an investment have been defined in accordance with the objectives of the measure description and milestone 299. i.e. the said article provides that only investment plan proposals which promote innovation or technology diffusion, use of renewables and transition to low carbon economy, and/or to significantly promote the competitiveness of the Greek economy at an international level may be selected to be Emblematic Investments of Great Significance.
- Emblematic Investments of Great Significance, as provided for by Law 4864/2021 as amended by Law 4887/2022, also fulfil the additional requirements and conditions set out in the measure description and milestone 299:
 - Article 2(1)(y) of that law foresees additional incentives for this category of investments in addition to other financial incentives, which will be provided under the Recovery and Resilience Facility until the exhaustion of the available envelope;
 - Article 2(1)(y) of that law has introduced new fields of economic activity for this category, in particular concerning Renewable Energy Sources projects;
 - Article 2(3)(β) of that law provides that no minimum amount of investment expenditure is required for electric power production units to be characterised as Emblematic

Investments of Great Significance, and there is no other part of the law which makes reference to any minimum amount of investment expenditure or employment quotas.

Therefore, as required by the measure description, the above provisions contribute to i) the provision of additional incentives for Emblematic Investments of Great Significance to benefit investors; ii) the introduction of new fields of economic activity in the existing regulatory framework; and iii) ensuring that Emblematic Investments of Great Significance are not restricted by budget or annual employment criteria to widen eligibility under this category.

In addition, also in line with the requirements of the Council Implementing Decision, Greece has adopted secondary legislation to operationalise key provisions of Law 4864/2021 as amended by Law 4887/2022, and also to satisfy the requirements concerning the establishment of a special Committee of three well-known scientists in different scientific topics to assess the fulfilment of criteria of investment plan proposals following investors' applications. Specifically:

- Joint Ministerial Decision 62147/507, which entered into force on 22 June 2022 as provided for by article 4 of that decision, and issued under article 2(1)(γα) of Law 4864/2021, has established a three-member scientific committee responsible for assessing investors' applications against the criteria set out for the category of Emblematic Investments of Great Significance; and
- Joint Ministerial Decision YODD 62120/3142, which entered into force on 22 June 2022 as provided for by article 9 of that decision, and issued under 2(1)(γβ) of Law 4864/2021, sets out procedural elements concerning the characterisation of investments as Emblematic Investments of Great Significance, the monitoring and control framework for these investments, and the incentives granted

Further, in line with the requirements of the Council Implementing Decision to include new fields of economic activity and potential Important Projects of Common European Interest (IPCEI) in the existing regulatory framework, such new fields, including research and innovation, robotics, biotechnology, medical tourism, and space industry are provided for by article 2(1)(βα) of Law 4864/2021 as amended by Law 4887/2022, while IPCEI projects are provided for by article 2(1)(εα) of the same law.

Finally, in line with the requirements of the Council Implementing Decision to accelerate the administrative procedure for the approval and licensing of the Strategic Investments, the following provisions have been introduced:

- Article 15(2) of Law 4864/2021 as amended by Law 4887/2022 provides for a new procedure for investors' requests when there is a need for an amendment of their investment plans, also setting a deadline for the administrative authority to reply to such requests.
- Article 6(2) of Law 4864/2021 as amended by Law 4887/2022 provides for a new procedure for the licensing of ancillary and accompanying external infrastructure projects that are necessary to support the core strategic investment projects, by allowing for the licensing of such external infrastructure projects to take place through the same application as for the core strategic investment installation i.e. as part of the same one-stop-shop service.

As required by the milestone and the measure description, the above provisions of the law are expected to be more efficient in order to accelerate processes concerning i) the approval of amendments to investment projects; and ii) the licensing of strategic investments projects as a whole process through the one-stop-shop service.

- Article 9(8) of Law 4864/2021 as amended by Law 4887/2022 provides for the necessary cross-references to the regulatory framework concerning the deployment of private sector assessors in the environmental licensing process (as provided for by article 16 of Law 4014/2011 on the establishment of a Register of Certified Environmental Assessors).

This contributes to the objective of achieving a cohesive and transparent framework, informing strategic investors of the possibility to request the deployment of a certified external assessor in the assessment of an environmental impact study. Further, to ensure that the provisions of article 9(8) of Law 4864/2021 as amended by Law 4887/2022 can be applied in practice, Greece has completed all the remaining regulatory and administrative steps needed to operationalise the said framework (Joint Ministerial Decision 70104/4791, which entered into force on 7 July 2022 as provided for by article 4 of that decision, and the announcement of a call for expression of interest to join the environmental assessors' registry on 15 July 2022). This makes credible the possibility to use certified private-sector assessors to complement scarce public resources in the near future, which is expected to expedite the environmental licensing process for strategic investments.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 300	Related Measure: Acceleration of smart manufacturing (Measure ID 16721)	
Name of the Milestone: Launch of calls for manufacturing		
Qualitative Indicator: Launch of calls for manufacturing firms		Time: Q1 2022
Context: The objective of this investment is to provide financial support for small and medium-sized enterprises in the industrial sector to upgrade their manufacturing equipment and infrastructure with state-of-the-art smart technologies with a low environmental impact and to support industrial schemes and clusters of enterprises in important industrial value chains that promote the competitiveness of the Greek industry and its transition to Industry 4.0. Eligible investments concern the digitalisation of production lines, automation and interconnection of supply chains, designing and production of smart products and services, implementation of smart manufacturing technologies in ultra-high-speed/5G network mechanical, laboratory & manufacturing equipment, quality control equipment, ICT & software equipment, software licenses, cloud licenses, implementation services for the new IT infrastructure and S/W, IT Security services, product design, intellectual property, patent and certification costs. Selected projects need to comply with the Do No Significant Harm Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. Milestone #300 consists of the launch of all competitive calls for proposals for the manufacturing sector in the specific types of investments presented above. It is the first milestone related to this investment and is followed by milestone #309 (due in Q4 2025), which foresees the completion of construction of all investment projects selected under the competitive calls for proposals.		
Evidence provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled, including (i) a justification that the technical		

specifications of the call are fully aligned with the description, criteria and conditions as set out in the milestone and of the description of the investment in Council Implementing Decision, and (ii) an extract of the relevant parts of the technical specifications of the call for proposal on “Smart Manufacturing”, containing the selection criteria that ensure compliance with DNSH;

2. Copy of the call for proposal on “Smart Manufacturing”, showing that the competition is open to applications (Ministerial Decision by the Ministry for Development and Investment No 92540/2022 of 27 September 2022, uploaded in Diavgeia (number of online upload ΑΔΑ: 60ΕΧ46ΜΤΑΡ-ΘΙΡ) and published on the websites of the Ministry for Development and Investment, the Economic Chamber of Greece (OEE), the Technical Chamber of Greece (TEE), the Special Management & Implementation Service for Industry, Trade and Consumer protection sectors (ΕΥΔΕ-ΒΕΚ) and “Greece 2.0.”).

Analysis:

In line with the requirements of the Council Implementing Decision, on 27 September 2022, Greece published a call for expression of interest for application of funding under measure 16721 “Smart manufacturing” on the websites of the Ministry for Development and Industry, the Economic Chamber of Greece (OEE), the Technical Chamber of Greece (TEE), the Special Management & Implementation Service for Industry, Trade and Consumer protection sectors (ΕΥΔΕ-ΒΕΚ) and “Greece 2.0.”. The related links are indicated in the summary document provided by Greece.

The competition has been open to applications. The call for expression of interest indicates in sections I.1.3 “Identity of the action” and I.1.8 “Procedure for submitting and receiving an application for funding” that the start date for the electronic submission of proposals through the State Aid Management Information System (PASKE) of the Ministry of Development and Investment is set on 23 November 2022 while the closing date for the submission of proposals is set on 23 January 2023. The call can be considered competitive as the eligibility criteria concern elements that are directly relevant for the measure, such as size of the company, and do not artificially restrict the competition. Although the milestone refers to the launch of multiple calls, Greece launched one comprehensive call that addressed all issues.

The types of beneficiaries eligible to receive financial support in the context of the call, small and medium-sized enterprises in the industrial sector, are mentioned in the introduction of the call, in section I.1.3 of the call, “Identity of the action”, and elaborated in full in section I.1.4. “Beneficiaries - Terms and Conditions of participation” and are in line with the requirements set out in the description of the corresponding measure in the Council Implementing Decision. The definition of small and medium-sized enterprises that are the eligible beneficiaries is detailed in the explanatory table (page14) of the call. The eligible economic activities of the industrial sector are described in section I.1.5 “Eligible areas of activity” and in Annex 4 on the “Table of eligible activity code numbers” and are in line with the requirements set out in the description of the corresponding measure in the Council Implementing Decision.

The types of investments eligible to receive financial support in the context of the call for expression of interest are specified in the introduction of the call, in section I.1.3 “Identity of the action”, in section I.1.4. “Beneficiaries - Terms and Conditions of participation”, in section I.1.6.1 on the “Eligible expenditure” as well as in Annex 4 on the “Table of eligible activity code numbers”. They are in line with the requirements set out in the description of the corresponding measure and in the description of this milestone in the Council Implementing Decision.

Finally, the requirement to comply with the Do No Significant Harm Technical Guidance

(2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation specified in the description of the corresponding measure and in the description of this milestone are contained in (i) section I.1.6.1 of the call on the “Eligible expenditure”, (ii) in Annex 6 on the “On/Off Assessment criteria for small – very small and medium-sized enterprises”. In addition, Annex 10 on the “Conditions for participation” specifies that applicants shall submit a “Solemn Declaration for compliance with relevant EU and national environmental legislation and specifically with the principle of “Do No Significant Harm” (Annex 12) accompanied by a consultant / engineer report which justifies compliance of the investment project with the exclusion list and with the relevant EU and national environmental legislation.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 301	Related Measure: New Industrial Parks (Measure ID 16634)	
Name of the Milestone: Launch of calls for Industrial parks		
Qualitative Indicator: Launch of calls for proposals for industrial parks		Time: Q1 2022
Context:		
The objective of this investment is to provide financial assistance for a) the establishment of new, next-generation industrial parks, b) expansion of the existing ones, with a view to increasing their readiness for transition to 5G and ultra-high bandwidth network infrastructure and use of renewable energy sources, smart energy management and energy saving interventions, and circular economy infrastructure, and c) the transformation of areas with high industrial concentration to green and digitalized industrial parks. The measure shall also include a reform of the regulatory framework for industrial parks, including addressing legal uncertainties, resolving governance issues, and providing effective incentives for the resolution of informal industrial concentrations. Eligible investments concern: a) infrastructure for the establishment of the new generation parks (including the acquisition of the land) with specific energy efficiency criteria for the construction of new buildings and energy efficiency and demonstration projects in large enterprises and supporting measures, b) infrastructure to digitally transform and create smart industrial areas, c) solar renewable energy, d) water management and water resource conservation projects, with an average Infrastructure Leakage Index (ILI) of $\leq 1,5$), e) waste water collection and treatment systems compliant with energy efficiency criteria, f) electromobility (development of refuelling networks for electric or hydrogen vehicles or refuelling points for biomethane for transport), g) projects for the rehabilitation of industrial sites and contaminated lands. The construction of new building shall comply with a Primary Energy Demand (PED) that is at least 20% lower than the Nearly Zero-Energy Building (NZEB) requirement (national directives). In addition, specific types of projects shall comply with further requirements as follows: projects for the construction of front-to-end waste water systems shall have net zero energy use; projects for the renewal of the front-to-end waste water systems shall lead to a decreased average energy use by at least 10% (solely by energy efficiency measures and not by material changes or changes in load); investments in electromobility shall be in in line with Directive (EU) 2018/2001 relate to alternative fuel for transport. Finally, all selected projects shall comply with the Do No Significant Harm Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.		
Milestone #301 concerns the launch of all competitive calls for proposals for the development of industrial parks for the specific types of investments presented above. It is the first milestone related to this investment and is followed by milestone #302 (due in Q3 2022), which foresees the enactment of primary legislation to improve the regulatory framework for Industrial Business Parks:		

Milestone #304 (due in Q2 2023), which foresees the entry into force of all necessary secondary legislation to operationalise the new framework to improve the regulatory framework for Industrial Business Parks; and Milestone #307 (due in Q4 2025), which foresees the completion of construction of all investment projects selected under the competitive calls for proposals.

Evidence provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled, including (i) a justification that the technical specifications of the call for proposal on “New Industrial Parks” are fully aligned with the description, criteria and conditions as set out in the milestone and of the description of the investment in the Council Implementing Decision, and (ii) an extract of the relevant parts of the technical specifications containing the selection criteria that ensure compliance with DNSH;
2. Copy of the call for proposal on “New Industrial Parks” (Ministerial Decision No 89801 of 19 September 2022, uploaded in Diavgeia (number of online upload: ΑΔΑ: Π21046ΜΤΛΡ-ΦΨΣ and published on the websites of the Ministry for Development and Investment, the Hellenic Republic Asset Development Fund (HRAF) and “Greece 2.0.”).

Analysis:

In line with the requirements of the Council Implementing Decision, on 19 September 2022, Greece published a call for expression of interest for application for funding under measure 16634 “New Industrial Parks” on the websites of the Ministry for Development and Investment, the Hellenic Republic Asset Development Fund (HRAF) and “Greece 2.0.”. The related links are indicated in the summary document provided by Greece.

The competition has been open to applications. The call for expression of interest indicates in sections 11 “Instructions for applying for funding” and 25 “Funding application procedure” that the start date for the electronic submission of proposals through the State Aid Management Information System (PASKE) of the Ministry of Development and Investment is set on 24 October 2022 while the closing date for the submission of proposals is set on 27 December 2022. The call can be considered competitive as the eligibility criteria concern elements that are directly relevant for the measure, such as size of the company, and do not artificially restrict the competition. Although the milestone refers to the launch of multiple calls, Greece launched one comprehensive call that addressed all issues.

The types of investments eligible to receive financial support in the context of the call for expression of interest are specified in the introduction of the call, and in section 17 “Identity of the action” and 23 “Eligibility of investment proposals” of the Programme Guide and Annex IV and are in line with the requirements set out in the description of the measure and in the description of the milestone.

Finally, the requirement to comply with the Do No Significant Harm Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation specified in the description of the measure and in the description of the milestone is contained in the introduction of the call and section 22 “Compliance with the ‘Do No Significant Harm’ principle” of the Programme Guide. In order to

ensure compliance with the DNSH principle, applicants are required to submit the following supporting documents in their application file: (i) a solemn Declaration for compliance with relevant EU and national environmental legislation and specifically with the principle of "Do No Significant Harm"; (ii) a consultant / engineer report which justifies compliance of the investment project with the relevant EU and national environmental legislation and that the investment project does not fall under the excluded activities of the principle of "Do No Significant Harm"; (iii) a sustainability proofing report (if required) concerning the investment activity of the business plan, which is prepared by consultants / engineers on the basis of the climate and environmental dimension defined in Commission Notice 2021/C 280/01.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 310	Related Measure: Economic transformation on the Agricultural Sector (Measure ID 16626)	
Name of the Milestone: Economic transformation of agriculture: Launching of the programme		
Qualitative Indicator: Contract with implementing partner signed		Time: Q1 2022
Context: The objective of this investment is to strengthen and promote the development of the agricultural sector in Greece via certain actions: a) Innovation and green transition on processing agricultural products, b) modernisation of the primary sector, c) green tourism development, d) cultivation restructuring and e) animal genetic improvement. Milestone #310 concerns the launching of five calls for proposals one for each subproject of this measure. The competitive calls for proposals shall include terms of reference with eligibility criteria that ensure that the selected projects comply with the ‘Do no significant harm’ Technical Guidance through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. The competitive calls shall include the following actions which are allocated in the calls in line with the objectives of each sub-project: actions related to energy upgrade of production units, buildings and mechanical equipment with low energy consumption, energy upgrade of tourism facilities (buildings), environmentally friendly means of transportation (electric cars, bicycles, etc.), support for environmentally friendly production processes and resource efficiency in SMEs, renewable energy (solar), climate change adaptation and prevention measures and management of climate related risks, biodiversity protection, and natural heritage and resources. This milestone (#310) is followed by milestone #314 (due in Q4 2025), which requires the completion of the project with the issuance of audit certificates provided by the final recipients and approved by Ministry of Rural Development and Food.		
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: Copy of publication in Official Journal 102/A/25-05-2022 of «Presidential Decree no 37: Amendment of Presidential Decree 97/2017 “Organization of the Ministry of Rural Development and Food (A’ 138)”. Letter of the Ministry of Rural Development to the RRF Agency informing the Agency about the creation of the RRP management service within the Ministry of Rural Development and Food.		

3. **Published call Sub-project 1: Innovation and green transition on processing agricultural products.** “Diavgeia” Internet uploading number: ΑΔΑ: ΨΡ724653ΠΓ-Κ2Ω (<http://www.minagric.gr/index.php/el/xrisimewpliروفories-2/draseis-tameiou-anakampsis-kai-anthektikotitas/id-16626-oikonomikos-metaximatismos-tou-agrotikoy-tomea1/12733-yποergo1-kainotomia-kai-prasinh-metabash>)
4. **Published call Sub-project 2: Modernization of primary sector.** “Diavgeia” Internet Uploading Number: 9ΧΛΣ4653ΠΓ-ΤΦ2. (<http://www.minagric.gr/index.php/el/xrisimewpliروفories-2/draseis-tameiou-anakampsis-kai-anthektikotitas/id-16626-oikonomikos-metaximatismos-tou-agrotikoy-tomea1/12749-yποergo-2-eksygxronismos-tou-protogenoys-tomea>)
5. **Published call Sub-project 3: Green rural tourism.** “Diavgeia” Internet uploading number: 4653ΠΓ-ΟΝΕ (<http://www.minagric.gr/index.php/el/xrisimewpliروفories-2/draseis-tameiou-anakampsis-kai-anthektikotitas/id-16626-oikonomikos-metaximatismos-tou-agrotikoy-tomea1/12750-yποergo-3-prasinos-agrotourismos>)
6. **Published call Sub-project 4: Cultivation restructuring.** “Diavgeia” Internet uploading number: 9ΛΦΥ4653ΠΓ-ΟΝΕ (<http://www.minagric.gr/index.php/el/xrisimewpliروفories-2/draseis-tameiou-anakampsis-kai-anthektikotitas/id-16626-oikonomikos-metaximatismos-tou-agrotikoy-tomea1/12750-yποergo-3-prasinos-agrotourismos>)
7. **Published call Sub-project 5: Animal genetic improvement.** “Diavgeia” Internet uploading number: ΨΦ6Χ4653ΠΓ-ΦΟΩ (<http://www.minagric.gr/index.php/el/xrisimewpliروفories-2/draseis-tameiou-anakampsis-kai-anthektikotitas/id-16626-oikonomikos-metaximatismos-tou-agrotikoy-tomea1/12752-yποergo-4-anadiarthrosi-ton-kalliergeion>)

Analysis:

In line with the requirements of the Council Implementing Decision, the Greek authorities have published five calls for proposals for the economic transformation of the agricultural sector. The investments specifically required in the Council Implementing Decision have been included in the appropriate calls as described below.

In particular:

Sub-project 1: Innovation and green transition on processing agricultural products: The eligible activities and associated costs are described in Section 3.7 “Eligible costs”. These include among other things, construction and modernization of buildings, purchase and use of environmentally friendly means of transportation, such as electric cars and vehicles with a CO₂ emission of less than 50g/Km, investments promoting environmental protection, energy upgrade of production units, low energy consumption and renewable energy resources. These eligible costs are addressing the objectives of the sub-project no1, which aims to remedy to the structural problems of the primary sector and boost the competitiveness of the collective agricultural schemes (cooperatives, farm groups).

Sub-project 2: Modernization of primary sector: Section 3.7 describes the eligible costs/actions. These include the purchase and use of environmentally friendly means of transportation such as electric cars and zero emission vehicles for the transportation of goods and products, investment aid to companies for exceeding Union standards or for increasing environmental protection, the purchase of equipment that operates in environmentally friendly manner and leads to the operation’s digital upgrade, the additional costs necessary to reach and exceed the applicable Union standards or to increase the level of environmental protection, to adapt to climate changes and prevent measures and management of climate-related risks. These eligible costs are addressing the objectives of the sub-project no2, which aims to support investments in collective schemes, increase digitalization of farms, develop systems of traceability and boost research in the agricultural sector.

Sub-project 3: Green rural tourism: Section 3.7 describes the eligible costs/actions. These include the purchase and use of environmentally friendly means of transportation, such as electric cars and bicycles, the purchase of equipment that operates in environmentally friendly manner and leads to the operation's digital upgrade, the promotion of energy production by reusable energy resources including solar energy and the enhanced investments used to produce sustainable biofuels that are not based on edible plants. Agro-tourism is a critical sector for the development of rural areas, as it provides opportunities to diversify the rural economy, provides additional income to the farmers and ultimately keeps them in the sector.

Sub-project 4: Cultivation restructuring: Section 3.7 describes the eligible costs/actions. The investment aligned with EU and national environmental legislation is described in Section 3.7. According to the call, it is proposed to eradicate plantations that are characterized as vulnerable to climate change and should be replaced with new perennial or non-perennial plantation that will be resistant to climate change. The eligible costs are addressing the objectives of the sub-project no 4, which is to allow new products to be produced and distributed to the market.

Sub-project 5: Animal genetic improvement: Section 3.7 describe the eligible costs/actions and include: Aid for knowledge transfer and information actions; aid for promotion measures for agricultural products; aid for the collection and maintenance of pedigree data and conservation of herd-books and registers such as electronic equipment, printing material, software programs for recording, data processing and maintenance herd-books, somatic measuring instruments, DNA analysis, costs of electronic detection and electronic means of assessment and registration of attributes; aid for research and innovation; personnel costs related to researchers, technicians and other support staff to the extent that they are employed in the project; aid for testing costs carried out by or on behalf of third parties in order to determine the genetic quality or yield of livestock; costs of instruments and equipment, to the extent and for as long as they are used for the project and expenditure on buildings and land. The eligible costs are addressing the objectives of the sub-project no 5, which is to preserve the hereditary properties of the animals, utilize the genetic material of the native Greek breeds, control and improve their yields, strengthen specific characteristics concerning milk and meat and improve the import-export balance of animal products.

All calls for proposals include eligibility criteria which ensure that the selected projects comply with the 'Do no significant harm' principle in line with the Council Implementing Decision requirements.

The obligation to apply the 'Do no significant harm' principle is made clear in each of the calls in subsection 3.1 «General rules for granting aid» which states that "Where required, investments herein shall comply with the principle of "No significant damage" within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council and comply with the technical guidance regarding the "Do no significant harm" principle (2021/C 58/01) of the Annex IX". Moreover, the compliance with the relevant EU and national environmental legislation and in particular with the "DNSH" principle is ensured through the Annex IX_1 declaration accompanied by the justification of compliance with the "DNSH" principle of Annex IX_2. In the mandatory supporting documentation for the evaluation of the application, the submission of the aforementioned declaration of Annex IX concerning the "DNSH" is stated. Failure to submit this document renders the application ineligible.

The Council Implementing Decision required the signature of a contract with an implementing partner. The programme has not been outsourced to an implementing partner, but it is being implemented in-house by a dedicated service of the Ministry of Rural Development and Food instead. The service responsible for implementing the programme has been established by the Presidential Decree no 37/2022.

Whilst the implementation of the measure by a dedicated service of the Ministry of Rural Development and Food represents a minimal formal deviation from the wording of this constitutive element of the milestone, it does not change the nature of this part of the measure. The Presidential Decree 37/2022 states the function (article 1), the mission (article 2, section 1), the departments (article 2, section 2) and the responsibilities (article 2, section 3) of the Service for management of the RRP and this new entity is equivalent to an external implementing partner. The change does not affect the progress towards the achievement of the investment that the milestone represents. On this basis, it is considered that this constitutive element of the milestone is satisfactorily fulfilled.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number 322	Related Measure: Loan Facility (Measure ID: 16980)
Name of the Milestone: Agreement for equity platform	
Qualitative Indicator: Mandate agreement signed	Time: Q1 2022
Context: The objective of this investment is to use the loan support under the Recovery and Resilience Facility to facilitate the provision of financial incentives to the private sector and promote private investments. The Loan Facility makes use of different distribution channels, among which an equity platform (EUR 500 million). Milestone #322 requires the signature of the mandate agreement between the Ministry of Finance and the Hellenic Development Bank of Investments that shall manage two projects constituting the equity platform instrument, the Q-Equity Fund of Funds and the Innovate Now Fund of Funds. The milestone also requires that the mandate agreement shall include the selection criteria for compliance with the Do No Significant Harm Technical Guidance (2021/C58/01) of supported companies, requiring the use of sustainability proofing, an exclusion list, and mandatory legal compliance checks with the relevant EU and national environmental legislation by an independent auditor. The Operational Arrangements further specify that the mandate agreement shall include, as a minimum, a predetermined set of relevant Key Performance Indicators (KPIs). This milestone (#322) concerns the third step of implementation of the investment, and it is followed by target #329 concerning the percentage of equity support invested (due in Q2 2026). Other milestones and targets of this investment that belong to other distribution channels are milestone #320 (due in Q3 2021) and milestone #321 (due in Q3 2021) which were part of the first payment request, as well as milestone #323 (due in Q1 2022), target #324 (due in Q4 2022) target #325 (due in Q4 2023), target #326 (due in Q4 2024), target #327 (due in Q4 2025), target #328 (due in Q2 2026) and target #330 (due in Q2 2026).	
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. 2. Copy of the Mandate agreement signed on 1 April 2022 by the Alternate Minister of Finance, and the President of the Board of Directors and the Chief Executive Officer of the Hellenic Development Bank for Investments. The authorities also provided: 1. Copies of the calls to fund partners for the Innovate Now Fund of Funds and the Q-Equity Fund of Funds.	
Analysis: In line with the requirements of the Council Implementing Decision, the equity platform mandate agreement was signed on 1 April 2022 by the Alternate Minister of Finance, and the President of the Board of Directors and the Chief Executive Officer of the Hellenic Development Bank for Investments. The mandate agreement includes all provisions required by the Council Implementing Decision: Article 2 of the mandate agreement provides that the Hellenic Development Bank of Investments undertakes the mandate for the management of funds from the Recovery and Resilience Facility amounting to EUR 500 million for the implementation of the equity platform instrument, namely the	

Q-Equity Fund of Funds and the Innovate Now Fund of Funds. Article 1 specifies that the corresponding amounts attributed to the two projects are EUR 400 million for the Q-Equity Fund of Funds, and EUR 100 million for the Innovate Now Fund of Funds.

Article 3 of the mandate agreement provides that the objective of the Q-Equity Fund of Funds is to create an appropriate environment for investment confidence to activate domestic investment funds and enhance the attraction of investment funds from abroad, while the objective of the Innovate Now Fund of Funds is to attract private investors and stimulate research and development (R&D) of cutting-edge technologies.

Article 6 of the mandate agreement contains the envisaged operations of the Hellenic Development Bank of Investments, including, among others:

- i. the management of the funds' special accounts;
- ii. the publication of the calls to fund partners;
- iii. the screening and approval of investment proposals;
- iv. the negotiation, conclusion, implementation, and monitoring of the relevant contracts for the establishment and management of investment schemes;
- v. the reception and auditing of managers' reports on the investment activities.

Article 7 of the mandate agreement provides that the equity platform instrument shall comply with the Do No Significant Harm Technical Guidance (2021/C58/01). In this respect, before investing in an investment objective, operators must:

- i. Apply the European Commission's Technical Guidance on sustainability proofing for the InvestEU Fund (European Commission's Notice 2021/C280/01).
- ii. Ensure that the investment objective does not pertain to any excluded activity, namely fossil fuel-based energy production and related activities, as well as energy intensive and/or CO₂-intensive industries. However, it is possible to invest in an excluded activity, provided that this activity, although 'excluded', can be considered environmentally sustainable in accordance with Regulation (EU) 2020/852 and the technical screening criteria laid down in Commission Delegated Regulation (EU) 2021/2139.
- iii. Ensure that the investment objective in the financial year preceding the investment did not earn more than 10% of its revenues directly from activities and assets listed in the Council Implementing Decision, namely from activities and assets: (a) related to fossil fuels, including downstream use; (b) under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks; where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible should be provided; (c) related to waste landfills, incinerators and mechanical biological treatment plants; and (d) where the long-term disposal of waste may cause harm to the environment (Article 7 also provides for the relevant footnotes of the exclusion list).
- iv. Verify, through a statutory audit by an independent auditor, the legal compliance of the investment objective with EU and national environmental legislation for all its transactions, including those exempted from sustainability proofing.

Annexes A and B of the mandate agreement provide for the requirement to comply with the Do No Significant Harm Technical Guidance (2021/C58/01) separately for the Q-Equity Fund of Funds and the Innovate Now Fund of Funds.

Finally, Article 9 of the mandate agreement provides the reporting requirements of the Hellenic Development Bank of Investments, including the submission of an annual summary report

containing at least the Key Performance Indicators (KPIs) for the Q-Equity Fund of Funds and the Innovate Now Fund of Funds, in line with the further specifications set out in the Operational Arrangements.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 323	Related Measure: Loan Facility (Measure ID: 16980)		
Name of the Milestone: InvestEU Contribution Agreement			
Qualitative Indicator: Contribution Agreement signed			Time: Q1 2022
Context: The objective of this investment is to use the loan support under the Recovery and Resilience Facility to facilitate the provision of financial incentives to the private sector and promote private investments. The Loan Facility makes use of different distribution channels, among which the Member State compartment under the InvestEU Programme (EUR 500 million). Milestone #323 consists of the signature of the InvestEU Contribution Agreement between the Ministry of Finance of Greece and the European Commission. The milestone also provides that the Contribution Agreement shall include: i. the selection criteria for compliance with the Do No Significant Harm Technical Guidance (2021/C58/01) of supported companies, requiring the use of sustainability proofing, an exclusion list, and mandatory legal compliance checks with the relevant EU and national environmental legislation by an independent auditor; ii. the commitment to invest at least 38.5% of the funds to support the climate transition and 20.8% of the funds to support the digital transition, using the methodology in Annexes VI and VII of the RRF Regulation. This milestone (#323) concerns the fourth step of implementation of the investment, and it is followed by target #330 concerning the approval of 100% of investment operations (due in Q2 2026). Other milestones and targets of this investment that belong to other distribution channels are milestone #320 (due in Q3 2021) and milestone #321 (due in Q3 2021) which were part of the first payment request, as well as milestone #322 (due in Q1 2022), target #324 (due in Q4 2022), target #325 (due in Q4 2023), target #326 (due in Q4 2024), target #327 (due in Q4 2025), target #328 (due in Q2 2026) and target #329 (due in Q2 2026).			
Evidence Provided: In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided: 1. Summary document duly justifying how the milestone (including all the constitutive elements) was satisfactorily fulfilled. 2. Copy of the Contribution Agreement signed on 28 September 2022 by the Alternate Minister of Finance and the Director-General of the Commission’s Directorate-General for Economic and Financial Affairs. The authorities also provided: 1. A copy of the Back-To-Back Guarantee Agreement signed on 28 September 2022 by the Alternate Minister of Finance and the Director-General of the Commission’s Directorate-General for Economic and Financial Affairs.			
Analysis:			

In line with the requirements of the Council Implementing Decision, the InvestEU Contribution Agreement was signed on 28 September 2022 by the Alternate Minister of Finance and the Director-General of the Commission's Directorate-General for Economic and Financial Affairs.

In line with Recital 11 of the Contribution Agreement, Greece has suggested the European Investment Fund (EIF) and the European Bank for Reconstruction and Development (EBRD) as the Implementing Partners for the purposes of implementing the contribution to the EU Guarantee under the Member State compartment envisaged in the Contribution Agreement.

In line with Article 4 of the Contribution Agreement, it is for the Commission to negotiate and conclude with the Implementing Partners the Guarantee Agreements, which shall set out the details of the implementation of the EU Guarantee under the Member State compartment in accordance with the Contribution Agreement and the InvestEU Regulation. In line with the Council Implementing Decision requirements, Article 4 of the Contribution Agreement provides the following:

- i. The Guarantee Agreement shall include provisions stipulating that financing and investment operations shall comply with the 'Do no significant harm' (DNSH) Technical Guidance (2021/C58/01), requiring the use of sustainability proofing, and mandatory legal compliance checks with the relevant EU and national environmental legislation, performed at portfolio level by an independent auditor to be appointed by each Implementing Partner in respect with its financial products, in accordance with its internal procedures and the relevant requirements under the Council Implementing Decision. The Guarantee Agreement shall include provisions requiring the use of an exclusion list that shall exclude the following activities and assets from eligibility: (a) activities and assets related to fossil fuels, including downstream use; (b) activities and assets under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks; where the activity supported achieves projected greenhouse gas emissions that are not significantly lower than the relevant benchmarks, an explanation of the reasons why this is not possible should be provided; (c) activities and assets related to waste landfills, incinerators and mechanical biological treatment plants; and (d) activities and assets where the long-term disposal of waste may cause harm to the environment.
- ii. The Guarantee Agreement shall include provisions stipulating that the Implementing Partners shall use commercially reasonable endeavours to ensure that, out of the overall guaranteed amount under the respective Guarantee Agreement: (a) climate transition support shall exceed 38.5% of that amount; (b) digital transition support shall exceed 20.8% of that amount.
- iii. The Guarantee Agreement shall include provisions stipulating that independent auditors to be appointed by each Implementing Partner in respect with its financial products in accordance with its internal procedures and the relevant requirements under the Council Implementing Decision shall verify, at portfolio level, the compliance with DNSH and with the 38.5% climate target and 20.8% digital target.

Commission Preliminary Assessment: Satisfactorily fulfilled

Number: 324	Related Measure: Loan Facility (Measure ID: 16980)		
Name of the Target: EUR 586.4 million of financial institutions funds signed			
Quantitative Indicator: Percentage of funds signed	Baseline: 0	Target: 5	Time: Q4 2022
Context: The objective of this investment is to use the loan support under the Recovery and Resilience Facility to facilitate the provision of financial incentives to the private sector and promote private			

investments. The Loan Facility makes use of different distribution channels, among which on-lending through international financial institutions and commercial banks (EUR 11728 million).

Target #324 refers to the on-lending distribution channel and consists of the signature of contracts between financial institutions and final recipients amounting to EUR 586.4 million (including management fees) of Loan Facility funds.

This target (#324) concerns the fifth step of implementation of the investment and is preceded by milestone #320 (due in Q3 2021) and milestone #321 (due in Q3 2021), which were part of the first payment request. The target is followed by: (i) target #325 that concerns the signature with final recipients of EUR 3518.4 million of financial institutions funds (due in Q4 2023); (ii) target #326 concerning the signature with final recipients of EUR 586.4 million of financial institutions funds (due in Q4 2024); (iii) target #327 concerning the signature with final recipients of EUR 9382.4 million of financial institutions funds (due in Q4 2025); (iv) target #328 concerning the signature with final recipients of EUR 11728 million of financial institutions funds (due in Q2 2026).

Other milestones and targets of this investment that belong to other distribution channels are milestone #322 (due in Q1 2022), milestone #323 (due in Q1 2022), target #329 (due in Q2 2026) and target 330 (due in Q2 2026).

Evidence Provided:

In line with the verification mechanism set out in the Operational Arrangements, the following evidence was provided:

1. Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled.
2. Report by the Ministry of Finance (protocol number 141641 of 30.09.2022) including the following information on the target completion:
 - disbursement schedule of the tranches and the allocation of funds;
 - information on investment costs contributions;
 - key measurable objectives such as number and volume of signed loan agreements (including information on the Loan Facility strategic pillars) and projects' progress;
 - Key Performance Indicators (KPIs) on loan values, deferred loan service payments, loans' performance, and interest paid.

The authorities also provided:

- Reports submitted by five financial institutions on the target completion, relevant to each institution.

Analysis:

In line with the requirements of the Council Implementing Decision:

- i. Funds have been signed with final recipients: Overall, EUR 629.1 million (including management fees) of Loan Facility funds have been signed by five financial institutions - European Bank for Reconstruction and Development (EBRD) and the four systemic commercial banks - with final recipients, an amount that exceeds the target provided in the Council Implementing Decision (EUR 586.4 million). This amount concerns 18 loan contracts in the green, digital and extroversion Loan Facility strategic pillars.
- ii. The mandate has been complied with:
 - a. With reference to investments costs contributions, the RRF loans cover 45.8% (maximum 50% required), the financial institutions' participation covers 30.1%

(minimum 30% required), and the final recipients' participation covers 24.1% (minimum 20% required).

- b. The funded investments have a positive net present value and the decision-making for each investment was based on sound economic criteria according to the financial institutions' internal criteria and credit policies and procedures, at arms' length from the government.
- c. Key performance indicators (KPIs) were set for the monitoring of disbursed loans, and financial institutions provided the relevant information as per the Loan Facility framework and the agreements signed with Greece. Specifically, the KPIs for the contracts signed show:
 - Value of loans disbursed to final recipients over total value of loan agreements signed: 18.9% (EUR 118.7 million over EUR 629.1 million).
 - Value of deferred loan service payments over total value of ordinary loan service payments: there are no deferred loan service payments.
 - Value of performing loans over total value of loan portfolio and corresponding values for loans under restructuring and the different categories of non-performing exposures in the loan portfolio: all current RRF loans are performing at 100% of the loan portfolio.
 - Value of interest paid over value of accrued interest: zero interest paid.
 - Value of interest paid over value of loans disbursed: zero interest paid.
- d. Evaluations were carried out by the financial institutions and independent auditors on eligibility prior to the provision of financing (see further details in point iii below).
- e. The Greek State and the financial institutions participate *pari passu* on loans losses, collaterals and repayments, and all decisions regarding restructuring are allocated exclusively to the financial institutions.
- f. According to the signed loan contracts, there was no refinancing of outstanding loans and no State guarantees provided.
- g. Each funded investment complies with the Do No Significant Harm Technical Guidance (2021/C58/01) of supported activities, requiring the use of sustainability proofing, an exclusion list, and mandatory legal compliance checks with the relevant EU and national environmental legislation by an independent auditor.

iii. Independent auditors' verified *ex-ante* for each project:

- a. The existence of an eligible investment and of a given budget.
- b. The investment project's categorisation under the Loan Facility strategic pillars.
- c. The compatibility of the interest rate granted considering relevant State aid rules.
- d. That the project does not already benefit from double funding either from the Recovery and Resilience Facility or any other Union funding programme for the same expenditure.
- e. The project's alignment with the Do No Significant Harm Technical Guidance (2021/C58/01) confirming:
 - compliance with the relevant EU and national environmental legislation;
 - the application of the climate and environmental sections of the Commission's technical guidance on sustainability proofing for the InvestEU fund (2021/C

280/01);

- that the project does not relate to excluded activities from eligibility.

- f. The contribution of the project to the climate transition and the digital transition, in accordance with the methodology in Annexes VI and VII of the Recovery and Resilience Facility Regulation (including the relevant intervention fields), and the compliance by the financial institutions with the relevant legal commitments undertaken regarding the climate and digital commitments. In addition, the compliance with the climate and digital commitments is due to be audited also *ex-post* at the portfolio / tranche level as provided in the mandate.

Commission Preliminary Assessment: Satisfactorily fulfilled