



EUROPEAN COMMISSION
EUROSTAT

Directorate D: Government Finance Statistics (GFS) and quality
Unit D-2: Excessive deficit procedure (EDP) 1

Luxembourg, October 2018

FINAL FINDINGS

EDP dialogue visit to Greece

21-22 March 2018

EXECUTIVE SUMMARY

Eurostat undertook a standard EDP dialogue visit to Greece on 21/22 March 2018. The main aim of this dialogue visit was to discuss methodological issues and specific government transactions in the light of the implementation of the ESA 2010 methodology and the provisions of the ESA 2010 Manual on Government Deficit and Debt. Particular attention was given to issues from the October 2017 EDP notification, and open action points from the previous EDP visits. Issues relevant to the forthcoming April 2018 EDP notification were also reviewed.

As regards the forthcoming March 2018 EDP notification, the draft tables showing 2017 data were reviewed, and the revisions for the past data were discussed. As regards the EOPYY payables referring to the health care of Greek citizens received abroad, that were reported for the first time, Eurostat stressed the importance of making sure that all payables are timely identified and reported in statistics.

While reviewing the progress made on action points from the previous EDP visits, Eurostat concluded that further work has to be done as regards the proper incorporation of the company in liquidation - Olympic Airways (OA) in government accounts. Eurostat agreed with ELSTAT proposal to report on gross basis flows in one of the treasury accounts category labelled "interest taxes and subsidies".

Some clarification relating to pension arrears and pension payables were made during the discussions with the Greek statistical authorities. Eurostat took note of the fact that the number of pending pension claims are showing a tendency to reduce and no further accumulation is observed in the recent years. It has been agreed that retroactive cancellations of pension lump sums are to be recorded as transaction and not as other changes in volume.

On the discrepancies between the ESA quarterly government financial accounts and EDP reporting, Eurostat repeatedly stressed the importance of consistency in GFS and EDP reporting both in terms of sectoral coverage and classification of transactions. The BoG was urged to take action, so that full alignment is ensured and the unprecedented situation of repeated non-publication of QFAGG data by Eurostat is resolved.

The discussion continued on the application of the ESA 2010 sector classification rules. Particular attention was paid to the sector classification of the United Organisation of Supplementary Pension and health care insurance of journalists (EDOEAP). Eurostat considered that a non-funded pension scheme that is mainly financed by tax is to be seen as part of government. Eurostat agreed to provide an official view, once the entities' Statute and financial statements are sent by ELSTAT.

Eurostat encouraged the Greek statistical authorities to analyse further the so called multiple share class limited companies, possibly starting with a sample of units. Further efforts should be put to ensure that full information is available on public units in liquidation and their correct sector classification is ensured.

As regards the tax on pensions, it has been identified that after EFKA took over payments of public pensions, it has the right to pass the tax on pension with a two month delay. Having in mind the time adjustment of two months applied by ELSTAT, this will result in the situation

when 2016 government revenue comprises just 10 months. ELSTAT was urged to ensure that 12 month of accrued revenue is reported in every year.

The discussions on interest concluded that, for the years 2015-2016, revisions will be implemented both for interest receivable (S.1311.2 and S.1314) and for consolidation of interest. The bond swap operation that took place in December 2017, when step up bonds were exchanged with fixed interest rate bonds, was briefly discussed.

Two issues impacting the year 2017 accounts were discussed. It has been agreed that government compensation for overpaid pensioners' health contributions should be recorded as D.99 in the fourth quarter of 2017. As regards the compensations to the electricity sector for the social residential tariff and a PSO to supply electricity in Greek islands, the compensation of the past losses should be recorded as capital transfer in the year 2017. The compensations foreseen for the year 2018 should be recorded as prepayments in 2017 and should impact government B.9 in 2018.

Regarding the specific government transactions, Eurostat reviewed the provided material and took note of government capital injections, privatizations, guarantees, military expenditure, EU flows, TV licences and derivative related operations undertaken in 2017. In the case of one entity super-dividends were identified and ELSTAT was asked to report appropriately withdrawal of equity in the April 2018 EDP notification.

The statistical implications of the 14 Regional airports concessions were discussed. It has been agreed that the concession assets are to be recorded off government balance sheet. The up-front concession fee paid by the concessionaire in 2017, it should be considered as F.8, with government revenue being accrued gradually over the life of the contract. The fixed part of the regular concession fee, for simplification reasons, and due to the fact that the amounts are not material could follow cash recording.

The representatives from the Ministry of Interior provided an update on the recent developments on the KOMVOS database for the local government sub-sector. Eurostat took note that the financial data will become available for the 2018 data and could be used starting from April 2019 EDP notification.

Eurostat was informed on the work undertaken by the IMF and the Greek statistical authorities on the reconciliation of ELSTAT annual data with GAO general government monthly bulletin, as well as on the fact that a new chart of accounts is being implemented at GAO for the State Budget.

Final findings

Introduction

In accordance with Council Regulation (EC) No 479/2009 of 25 May 2009, as amended, on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community, Eurostat carried out an EDP dialogue visit to Greece on 21-22 March 2018.

The delegation of Eurostat was headed by Ms Lena Frej Ohlsson, Head of Unit D-2 Excessive Deficit Procedure (EDP) I. Eurostat was also represented by Mr Luca Ascoli and Ms Rasa Jurkonienė. Representatives of DG ECFIN, the European Central Bank (ECB) and the IMF also participated in the meeting as observers. The Greek authorities were represented by the Statistical Office (ELSTAT), the General Accounting Office of the Ministry of Finance (GAO) and the Bank of Greece (BoG). In addition, representatives from the following entities participated in the discussion for some specific points in the agenda: the Public Debt Management Agency (PDMA), and the Ministry of Labour. The expert providing technical assistance to ELSTAT also participated in the visit.

The previous Eurostat EDP dialogue visit to Greece took place in 20-21 September 2017.

Eurostat carried out this EDP dialogue visit in order to review the open action points from the previous EDP visits relating to data sources for the EDP compilation and to the availability of the data sources on some specific government operations. The draft April 2018 EDP notification was reviewed. The implementation of ESA 2010 methodology relating to the recording of government transactions and to the sector classification of units was also reviewed.

With regard to procedural arrangements, the *Main conclusions and action points* would be sent to Greece for review. Then, within weeks, the *Provisional findings* would be sent to Greece for review. After this, the *Final Findings* will be sent to Greece and the Economic and Financial Committee (EFC) as well as published on the website of Eurostat.

Eurostat appreciated the information provided by the Greek statistical authorities prior to and during the EDP dialogue visit. Eurostat also thanked the Greek statistical authorities for the co-operation during the mission and the constructive discussions.

1. APRIL 2018 EDP NOTIFICATION – ANALYSIS OF EDP TABLES, ANALYTICAL INFORMATION AND QUESTIONNAIRE RELATED TO EDP (YEAR 2017)

Introduction

The aim of this part of the dialogue visit was to review/assess the draft April 2018 EDP notification tables, that were provided by the Greek statistical authorities before the EDP visit.

Discussion

The provided EDP table 2A1 (covering budgetary central government) was reviewed. The Greek statistical authorities explained that a positive adjustment of around 2 billion EUR reported under other adjustments (H.50) refers to a current transfer (D.73) received from the Hellenic financial stability fund (HFSF). HFSF has received cash when the National Bank of Greece (NBG) repaid CoCos. This transfer is consolidated for the central government sector, however on a sub-sector level it improves the B.9 of budgetary central government (S.1311.1), and affects negatively the B.9 of HFSF (S.1311.2).

Eurostat enquired on the positive amount reported under other adjustments for 2017 (H.55a) referring to debt assumption. The Greek statistical authorities clarified that, in public accounts, debt was assumed in 2017, whereas in national accounts, a debt assumption was recorded in 2011, following the rule on three consecutive guarantee calls. The cash outflow recorded in the working balance had to be neutralised.

The Greek statistical authorities informed Eurostat that, starting with the year 2017, the working balance do not include any more OSE and EAS bond amortisation flows. Consequently, there is no need for a specific adjustment (H.16) in EDP table 2A1 removing these financial flows. Instead, the accrual adjustment for interest on these bonds (H.15a) has been added by ELSTAT. Eurostat took note of the explanation.

Eurostat took note that the adjustment for tax refunds in the EDP table 2A1 turned positive and reached 400 million EUR. The Greek statistical authorities confirmed that this was due to the fact that the cash outflow in the working balance included also the tax refunds referring to the previous periods. The stock of unpaid tax refunds from the issuance point of view decreased accordingly (end December 2017 it was around 885 million, in December 2016 – 1200 million EUR).

As regards the SSF sub-sector, EDP table 2D, the Greek statistical authorities explained that the upward revision of SSF payables referring to the years 2013-2016 is due to the fact the health insurance fund EOPYY has reported for the first time payables relating to the health care expenditure incurred by Greek citizens abroad. The total amount shown as increase in stock of payables in 2016 was 143 million EUR, evenly spread over the reference period 2013-2016. Eurostat noted that such situations when part of payables are being discovered later on should be avoided, and invited ELSTAT to strengthen cooperation with EOPYY in this respect, so that similar situations do not occur in the future. The Greek statistical authorities explained that the information refers to bills from abroad and, as such, it is difficult to gather, and that this emerged partly due to the arrears clearance programme. Eurostat asked if there could be a similar issue with the receivables of EOPYY relating to the health care expenditure incurred by the foreign citizens in Greece. ELSTAT explained that, in general, in statistics

claims with the uncertainty of recoverability are not recognised, while claims on foreigners health care expenditure in Greece are recorded mainly cash.

It has been noted that in this respect the Greek statistical authorities should make use of the Final report from the independent auditor, contracted by the MoF to assess government accounts payable accumulated up to December 2016. It was foreseen that the audit report would be finalised around April 2018.

Findings and conclusions

1. Eurostat invited ELSTAT to cooperate closely with the EOPYY in order to ensure information exchange, among others on payables and receivables relating to health care expenditure incurred by Greek citizens abroad and by foreign citizens in Greece. Eurostat stressed the importance of making sure that all payables are timely identified and properly recorded in national accounts¹.

Deadline: Continuous

2. Eurostat stressed the importance for ELSTAT to monitor closely the outcome of the assessment of the independent auditor on the evolution of the government accounts payable, foreseen in the context of the ESM programme.

Deadline: ELSTAT report to Eurostat end June 2018²

2. FOLLOW UP OF THE OCTOBER 2017 EDP NOTIFICATION AND THE EDP VISITS OF 2017 (YEARS 2014-2016)

2.1 Olympic Airways liquidation and Athens airport dividends

Introduction

The issue of the flows associated with the company in liquidation Olympic Airways (OA) were discussed with the Greek statistical authorities in the September 2017 EDP visit, where the action point (AP) 8, requiring further analysis, was agreed.

Discussion

Eurostat noted that, after the reclassification of OA inside S.1311.1, some issues with the reporting in financial accounts remained, therefore causing discrepancies in EDP table 3B1.

During the discussions, it appeared that there was no much progress achieved on the AP 8, furthermore it became evident that the developments happened in 2017 and will have to be followed up further. Apparently, the 227 million EUR of income tax that has been paid by OA in 2016 was calculated in a way that half of it included a pre-payment of the tax due in 2017. Thus only half of this amount refer to tax due in 2016, while the remaining 113 million EUR would need to be refunded in 2017. The Greek statistical authorities expressed some doubts on the above understanding of the situation; the company in liquidation is not likely to make prepayment of tax for the future years. Eurostat encouraged ELSTAT to contact the OA

¹ A note was received on 30/07/2018. AP is closed.

² A note was received on 20/07/2018. AP is closed.

liquidator and clarify the flows occurring in 2017 and also the flows in earlier years, so that the AP 8 from September 2017 EDP visit could be closed.

Findings and conclusions

3. ELSTAT will contact the liquidator of Olympic Airways (OA) and will investigate all OA flows in 2017, including those between government and OA, and, in particular, possible tax refunds, with the aim that the flows are fully and correctly reflected in national accounts.

*Deadline: April 2018 EDP notification*³

2.2 Adjustments for treasury accounts

Introduction

The issue of the so called Treasury accounts was discussed with the Greek authorities in the 2016-2017 EDP visits. Generally these are the accounts that are kept at the BoG and their flows do not pass through the Budget. Some non-financial transactions that are outside Budget but have to be included in the B.9 are added in EDP table 2A1 via an adjustment line G.2.

Discussion

Eurostat asked on the movements in 2017 of the account referring to pending payment orders for highways. In the October 2017 EDP notification, under this item 470 million EUR were reported for 2016. The Greek statistical authorities explained that this amount was set aside for the work that will be undertaken in the course of 2017. As there was an outflow from the working balance in 2016, in EDP table 2A1, it is neutralised via the adjustment line for balance for Treasury accounts, so for the 2016 B.9 it is neutral. The Greek statistical authorities explained that indeed, in 2017 the payments were made and expenditure was recorded, negatively impacting the B.9.

Following up on the AP 15 (45) from the January-February 2017 EDP visit, the Greek statistical authorities undertook analysis of the account labelled "interest taxes and subsidies". ELSTAT proposed to gross up the flows and classify them under the appropriate national account categories, instead of D.75 as it was the case. Eurostat welcomed this approach, as it would add more transparency and took note that this separation between a tax and a subsidy will be B.9 neutral.

The discussion continued on whether the recording of a tax on products (D.214) or a tax on production (D.29) would be more appropriate, as well as under which expenditure category the interest subsidies should be recorded: subsidy on products (D.31), subsidy on production (D.39) or capital transfer (D.9).

Findings and conclusions

It has been agreed that the most appropriate revenue item would D.29 following ESA 2010 paragraph 4.22, and D.39 as an expenditure.

³ A note on this issue was sent to Eurostat on 19/09/2018. The issue is under discussion.

2.3 Pension arrears: observed average delays between submission of claims, recognition of claims and settlement and analysis of the need for accrual adjustments to be applied in national accounts (AP 4 and AP 5 from September 2017 EDP visit)

Introduction

The process on how pension applications are processed and the existence of the time span between the submission of pension application and its clearance were discussed with the Greek statistical authorities in the previous EDP visit. Eurostat considered that further analysis has to be undertaken in order to assess whether there is a need for an adjustment in national accounts.

Discussion

Prior to the EDP visit, the Greek statistical authorities provided to Eurostat a note describing the existing estimates for pension arrears undertaken by the Ministry of Labour and the explanation on the pension payables as recorded in national accounts. The Greek statistical authorities explained that in national accounts pension payables are recorded when the right for the pension is established, that is when the pension application has been cleared. The average period between the time the application is submitted and the time the claim is cleared is 18 months. Once the pension right has been established, cash payments follow without major delay, the time lag being usually less than 90 days. The data on pension payables (arising from the fact that there is a delay between the clearance of pension claim and the actual payment of pension) is collected by survey from SSF and is included in national accounts.

The Greek statistical authorities provided information for the years 2014-2016 on the number of pension claims, as well as an estimated pension expenditure on these claims. The Greek statistical authorities explained that these potential estimated payables are not yet obligations of SSF (pending the recognition of claim by authorities) and thus they are not recognised as payables in national accounts. The number of outstanding pension claims was gradually being reduced. The Greek statistical authorities concluded that such trend shows that the period for establishing pension claims was in fact shortening in recent years. Eurostat took note of the figures and explanations.

As regards the lump sum pensions, the Greek statistical authorities explained that the situation was a bit different. Generally, the right to get the lump sum pension exists only after the right for the main pension is established. In national accounts payables for lump sum pensions are recognised starting from the moment when the main pension decision is submitted to the Pension fund.

Eurostat proposed to discuss again the current recording (following on the 2013 advice) of the of lump sum pension payables cancellations. The reduction in the stock of payables of lump sum pensions due to cuts imposed by government are currently treated in Greek national accounts as other changes in volume. The Greek statistical authorities explained that Eurostat for 2016 the cancellations amounted to 115.5 million EUR. Eurostat provided an example illustrating that the current recording is problematic. For example, in case government takes a decision to cut the lump sum pension in year t , and in year $t+1$ there is a court ruling establishing a need for compensation, under current recording, the cuts in year t would be recorded as other changes, whereas the court decision would result in a transaction in $t+1$.

ELSTAT agreed to review the current recording and to revise the 2016 figures by recognising negative expenditure of 115.5 million.

Findings and conclusions

4. In relation to the cancellations of pension lump sums, ELSTAT will review the current recording in 2016, as other changes in volume, and instead recognise negative expenditure of 115,5 million EUR.

Deadline: April 2018 EDP notification⁴.

2.4 Questionnaire related to the EDP notification tables (progress achieved and remaining issues)

Introduction

In the January –February 2017 EDP visit, Eurostat explained the importance of having detailed and consistent EDP Questionnaire; consequently the AP 36 was agreed. It was acknowledged that a lot of information requested in the Questionnaire is available in Greece and is provided to Eurostat either on a regular or on an ad hoc basis. The progress on the AP 36 was discussed.

Discussion

Eurostat noted that some progress is expected on Questionnaire table 10 (Capital injections, dividends, privatizations), table 4 (other accounts receivable/payable) and table 8 (government claims). The Greek statistical authorities explained that Questionnaire table 8 will be fully aligned with EDP table 3B in the forthcoming April 2018 EDP notification. Tables 4 and 10 will improve as well.

Findings and conclusions

Eurostat took note of this.

2.5 Inconsistencies with ESA table 27

Introduction

The inconsistencies between the EDP tables 3 and ESA table 27 (QFAGG) were discussed with the Greek statistical authorities in a number of the past EDP visits. The progress made by the Bank of Greece towards the alignment of these two data sets is not sufficient, high discrepancies remain and Eurostat continues not publishing Greek QFAGG data.

Discussion

Eurostat stressed the importance of consistency between EDP tables 3 and ESA table 27 (also financial accounts data) and explained that the non- publication of Greek QFAGG data for so long is an unprecedented situation that should be corrected. Eurostat asked what the further steps of the BoG will be in this respect.

⁴ Implemented in the April 2018 EDP notification. AP is closed.

The BoG noted that some progress on alignment was made in the past six months. The BoG explained that a bilateral meeting with ELSTAT has been organised in order to understand better ELSTAT's work on historical data and ELSTAT also shared the documentation on implemented historical revisions, therefore some progress could be seen in the next transmission of ESA table 27. The BoG explained that the work entails full integration of government financial flows into the whole financial accounts, including the counterpart data, in both annual and quarterly data sets. The BoG also explained that some inconsistencies are observed due to the use of different data source- the survey data in case of ELSTAT and money and banking statistics in case of the BoG. Money and banking statistics have difficulties to bridge back the data. The BoG also disagrees with some methodological decisions, which also contributes to further disparities: the treatment of bridge loans, the 2015 bank recapitalisations, and the treatment of SDRs.

Eurostat took note of the technical problems the BoG is facing while trying to reconcile the accounts. However Eurostat stressed that the methodological advice of Eurostat concerning 2012 and 2015 operations has to be followed even in case of disagreement of the BoG. Financial and nonfinancial accounts have to be consistent and this is an issue of utmost importance.

Findings and conclusions

Eurostat repeatedly requested that the BoG makes progress in reconciling financial and non-financial accounts, also in aligning QFAGG data with the EDP tables 3 (currently compiled by ELSTAT).

2.6 Any other issues impacting April 2018 EDP

No new issues impacting the April 2018 were identified.

3. METHODOLOGICAL ISSUES AND RECORDING OF SPECIFIC GOVERNMENT TRANSACTIONS – FOLLOW UP ON OPEN APs AND ANY OPERATIONS IMPACTING 2017 DATA

3.1. Delimitation of general government

3.1.1. Any changes in sector delimitation of general government since October 2017

Introduction

The Greek statistical authorities provided a note listing the changes in sector classification as compared to the October 2017 EDP notification.

Discussion

Eurostat took note that, in the April 2018 EDP notification, two entities were reclassified outside the sector S.13: TRAINOSE was privatised in the third quarter of 2017, whereas the Mediterranean Agronomic Institute of Chania (MAICH) was classified in sector S.2, following Eurostat's advice. The Greek statistical authorities also explained that, following Eurostat advice and discussions in the EDP visits, the following entities were classified inside general government sector in April 2018 EDP notification: the Hellenic Recycling Agency (EOAN),

the Hellenic Hydrocarbon Resources management SA (E.D.E.Y.), the Hellenic Foundation for Research and Innovation (HFRI) and Public Properties Co. (ETAD).

Findings and conclusions

Eurostat took note of the situation.

United Organization of Supplementary Pension and Health Care Insurance of Journalists (EDOEAP)

Introduction

The Request for advice on the sector classification of EDOEAP was received from the ELSTAT in December 2018. After a further exchange of questions and answers, Eurostat proposed to discuss this issue further in the EDP visit.

Discussion

Eurostat raised questions on the nature of the pension scheme, whether it is funded or not. Also data on the latest financial statements was asked.

The Greek statistical authorities informed Eurostat that the EDOEAP accounts were received by ELSTAT and could be shared with Eurostat. The 2016 financial statements show an operational deficit of five million EUR. The Greek statistical authorities also explained that, following definitions of ESA 2010, the scheme is an unfunded, pay-as-you-go scheme. It is true that the scheme held some securities and has interest revenue, however the amounts involved are small. ELSTAT considered that there is no public control over the scheme as the board members are independent.

Eurostat clarified that, following the ESA, control over a pension scheme is broader than the involvement in nomination of board members. Eurostat asked how the scheme is financed and proportionally how much funds are collected as employee contributions, as employer's contributions and from other sources. The information from the financial statements suggested that the biggest source of EDOEAP revenue came from tax. Eurostat thought that a non-funded scheme that is mainly financed by tax would merit reclassification into government.

Eurostat asked what would happen if the scheme would not be able to meet its obligations, and which entity would have to step in. The Greek statistical authorities replied that the Statute foresees that the disbursements could be adjusted according to the entities results, and pensions could be adjusted by the decision of the Board. Eurostat noted that the fact that at the end of 2017, the Single social security institution (EFKA) stepped in and provided a loan to EDOEAP also shows government involvement. Eurostat asked what happened to this loan, if it had been repaid by end 2017. The Greek statistical authorities explained that, to their knowledge, there was no repayment in 2017.

It was agreed that ELSTAT will share with Eurostat all the newly available information and Eurostat will provide an official reply to the Request for advice on the sector classification of EDOEAP.

Findings and conclusions

5. As regards the sector classification of EDOEAP, based on the information provided during the EDP visit, it seems that this entity could be reclassified inside government. After ELSTAT has provided Eurostat with the Statute and the financial statements of the EDOEAP, Eurostat will provide an advice letter detailing its analysis.

Deadline: Eurostat letter end April 2018⁵.

3.1.2. Progress on AP 5 from January-February 2017 – classification work of local government units

Introduction

ELSTAT has been working to establish a complete register of local government units. The progress was discussed under this agenda point.

Discussion

The Greek statistical authorities recalled that, as regards Public utility companies, it has been concluded that due to the fact that these entities lack autonomy, they should be classified inside the local government sub-sector. Concerning School commissions, ELSTAT concluded that they cannot be considered as institutional units and thus should be classified with the unit that controls them (local government).

ELSTAT also explained to Eurostat that Water companies are publicly controlled non-financial corporations and therefore are classified at sector S.11001. Eurostat took note of this conclusion, also having in mind that one of the deliverables agreed within the ESM support program was related to changes in governance of the local water companies, in particular on appointing independent board members. The Greek statistical authorities explained that local water companies are included in the Questionnaire of government controlled entities and their 50% test results are being monitored. Currently 3 out of 130 water companies failed the 60% test. Usually these units are profitable.

Eurostat raised some questions as regards the analysis of the so called multiple share class limited companies (Development companies). ELSTAT had concluded that they are autonomous institutional units that are publicly controlled. Eurostat asked about the nature of the Development companies, and in what exactly these companies are involved in. The Greek statistical authorities explained that, usually, these units are participating in municipality projects, but also in other projects. Eurostat thought that some further details on this type of units should be provided. ELSTAT was asked to analyse a sample of units to evaluate their activities and to assess the qualitative aspects for sector classification. Eurostat noted that Development companies could be seen as ancillary units of local government.

Findings and conclusions

6. ELSTAT will analyse further the sector classification of Multiple share class limited companies (Development companies), checking among other things, whether they should be considered as ancillary units. The analysis could be based on a representative sample of units.

Deadline: October 2018 EDP notification.

⁵ AP is closed. Eurostat letter of 27/04/2018.

3.1.3. Progress on AP 11 from the September 2017 EDP visit - units in liquidation

Introduction

The availability of information on units in liquidation/bankruptcy was discussed with the Greek statistical authorities in the September 2017 EDP visit. The AP 8 has been agreed, foreseeing that a list of units in liquidation had to be compiled.

Discussion

As a follow up on the above action point, the Greek statistical authorities provided a list of such units. All in all seventeen entities were included, most of them owned by government. Eurostat asked where these units were classified. The Greek statistical authorities explained that some of the entities in liquidation were classified inside the government sector, while in case of others, the liabilities were taken over by government via debt assumptions or government B.9 was impacted due to debt cancellations.

Eurostat recalled that, following the current MGDD rules, any public non-financial unit should fulfil the so called 50% test, independently on whether they under liquidation/bankruptcy or not, and those failing the test for a number of years should be reclassified inside the government sector. Eurostat also asked whether the provided list was exhaustive. The Greek statistical authorities explained that the list covered primarily entities owned by core central government and added that it is unlikely that there would be some units owned by S.1311.2 or S.1313 that are undergoing bankruptcy/liquidation. Eurostat encouraged the Greek statistical authorities to verify this and to provide a note on the reasoning of the sector classification of the identified units undergoing liquidation.

Findings and conclusions

7. ELSTAT will complete the note provided in relation to the AP 8 of the September 2017 EDP visit concerning units in liquidation. In addition to ensuring a complete list of such units, the current sector classification and the rationale should be added. All public units in liquidation failing the so-called market non-market test should be reclassified inside general government⁶.

3.2. Implementation of the accrual principle

3.2.1. Taxes and social contributions:

Tax reform measures and their impact on the recording in national accounts

Introduction

The 2016 tax reform measures and their impact on the tax revenue were discussed in the previous EDP visit, as well as during the EDP notification. The progress achieved since the last EDP notification was reviewed.

⁶ A note was sent to Eurostat on 18/09/2018.

Discussion

Eurostat thanked the Greek statistical authorities for providing, prior to the EDP visit, the monthly cash data by main national accounts tax categories. Eurostat noted that time adjusted cash method is used in Greece for recording of taxes. Time adjustment is decided separately for each tax. The technical expert's report has identified some cases where due to the changes in tax law there might be a need to review the applied time lag. Also some adjustments might be needed in relating to the increased tax prepayment rates.

Eurostat also noted that, where possible, tax revenue should be separated from other tax associated flows (e.g. refunds, fines/penalties). The Greek statistical authorities explained that currently KAE codes on penalties are not covering all penalties, but only those that are to be paid within one year. Eurostat took note of this.

Eurostat encouraged the Greek statistical authorities to put efforts to review the existing tax recording and inform Eurostat on the foreseen changes. After the bilateral agreement, the changes could possibly be implemented for the data reported in the October 2018 EDP notification.

Findings and conclusions

8. The analysis by ELSTAT on the statistical implications from the recent (2015-2016) tax reform measures has to be completed. Using also the input from the technical expert visit in January 2018, ELSTAT will send to Eurostat a detailed report highlighting the foreseen changes to be implemented and analysing their statistical implications. In particular, a correct implementation of the time adjusted cash method should be ensured, especially as concerns the tax specific average time lag.

Deadline: Report - June 2018, implementation of possible changes – October 2018 EDP notification

Statistical implication from tax offsets and DTAs

Introduction

Two tax related issues – tax offsets and DTAs were followed up under this point of the agenda.

Discussion

Tax offsets

The issue of offsetting of corporation's claims against government with their tax liabilities, with no cash flow, was discussed in the 2017 EDP visits. The Greek statistical authorities explained that the recording in case of offsetting is similar to cases when cash transactions are observed. A note on the recording of tax offsets was provided to Eurostat before the EDP visit.

The Greek statistical authorities confirmed that the offsets are recorded the same way as if cash was transacted, they are included in the corresponding KAE codes: settlement of tax refunds by government is shown as negative amounts under the relevant tax revenue KAE, whereas the offset of the corporation tax liability is shown as revenue under relevant tax revenue KAE. Being recorded under the relevant KAE codes, offsets are included in the WB of EDP table

2A1. The Greek statistical authorities recalled that partly due to this, KAEs are considered as being on a near cash basis. Eurostat took note of the explanation.

DTAs

Eurostat asked on the existence of any new developments as regards DTAs. It has been recalled that the DTAs were discussed with the Greek statistical authorities in 2016 EDP visits. At that time it has been concluded that for the DTA laws of 2014 and 2015 to be applied further legal acts are needed (Ministerial Decision or similar administrative guideline). There was an understanding at the time that, due to this, the DTA laws would start to be applied in 2016 for the tax year 2017. Eurostat asked the Greek statistical authorities whether the implementing act was passed and whether DTAs were used in 2017.

The Greek statistical authorities explained that, to their knowledge, there were no new developments as regards DTAs. GAO agreed to investigate further whether there were any recent changes in DTAs framework and come back to ELSTAT and Eurostat with their findings.

Findings and conclusions

9. GAO will investigate whether there have been any recent updates to the legal framework on DTAs and inform ELSTAT and Eurostat on their findings⁷.

Deadline: June 2018.

Taxes on pensions withheld by EFKA

Introduction

During the EDP visit Eurostat's attention was brought to the issue of the changes as regards taxes on pensions.

Discussion

The Greek statistical authorities explained that, after EFKA took over the payment of pensions of public servants, starting from January 2017 it withholds also the tax on pensions. By law, EFKA has the right to pass the tax on pensions to the State with a two month delay. Due to this, there were no cash flows of pension taxes in January and February 2017, thus cash tax revenue for 2017 included only 10 months.

Eurostat took note that the time lag applied for D.51 (including on pension income) is two months. In practice this means that, for example, to arrive at accrual revenue of D.51 in 2016, January and February of 2016 are replaced with cash amounts of January and February 2017. As 2017 first two month cash tax flows are zero, the accrual tax revenue for 2016 is lacking two months. Eurostat asked the Greek statistical authorities to make sure that 12 months of accrual tax on pensions revenue is recorded in each year and, where appropriate, an imputation is made. Eurostat noted that ELSTAT should be provided (possibly by GAO) with data on PIT withheld on pensions. Eurostat also stressed that this issue is urgent, and it has to be resolved in the forthcoming EDP notification.

⁷ A confirmation from GAO that there were no new developments was received on 20/09/2018.

Findings and conclusions

10. As regards the tax on pensions, the Greek statistical authorities will make sure that the recent transfer of responsibilities from government to EFKA will not result in the recording of a different number of months of government revenue in 2016 and in the other years. Should this be the case, a correction will have to be imputed in order to make sure that 12 months of revenue will be imputed every year.

Deadline: April 2018 EDP notification⁸.

3.2.2. Recording of Interest (including step up interest on PSI bonds – AP 16 (17) from September 2017 EDP visit)

Introduction

The recording of interest on step up bonds was discussed with the Greek statistical authorities in September 2017. It appeared that while on the expenditure side interest on step up bonds was correctly accrued, step up rates were not considered on the revenue side and this resulted in a consolidation error.

Discussion

It has been recalled that the SSF record interest revenue on a cash basis, with ELSTAT trying to implement quarterly accrual adjustment on interest revenue. When it comes to the CDLF, accrual data on interest is available. The Greek statistical authorities informed Eurostat that the BoG sent the data on interest for the period 2015- 2017. There will be adjustments to interest receivable and consolidation of interest starting from 2015 and onwards.

The Greek statistical authorities informed Eurostat that, in December 2017, the existing step up bonds were exchanged with fixed interest rate bonds. From that moment Common Capital holdings consist of the newly issued bonds. The previous calculations as regards step up interest were done under the assumption that the bond maturity was in 2026. As discount/premium at redemption or at issuance on bonds are recorded for government, the difficulties arise for the counterpart.

It has been noted that the primary issue is the Common Capital (CC) and its recording. Currently the CC is not an institutional unit. An opinion has been expressed that an alternative way would be to recognise a notional unit. Then the recording would be as if SSF puts deposits and CC makes investments. The second approach would be easier for ELSTAT to implement, as there would be just one calculation for CC, the entities would report cash that they put into CC. ELSTAT noted that the issue was discussed and agreed in 2014 and did not see the reason to change now. The BoG remarked that, currently, SSFs own the bonds, CC is kind of mutual fund, and the BoG is acting as an agent. The BoG asked who would be the bond owner in the notional unit approach.

Eurostat took note of the discussion. ELSTAT explained that the consolidation for interest is done using the data from the BoG. The adjustment for accrued interest is being done at the sub-sector level and not at the unit level. It has been noted that the amount of data from the BoG that is provided to ELSTAT has to be expanded.

⁸ Issue discussed in the April 2018 EDP notification. AP is closed.

Findings and conclusions

Eurostat took note that revisions for interest revenue and consolidation of interest are expected in the forthcoming EDP notification.

Accrued interest on preference shares purchased in 2009

Introduction

This issue has been discussed during the 2016 EDP visits. In 2009 and in 2011 the Greek State acquired preference shares in a number of Greek banks. According to the Law, the original maturity of these instruments was 2014. In cases of banks that went into liquidation, the preference shares were de facto lost for Government. The BoG was asked (AP 27 from June 2016 EDP visit) to monitor what happened in case of the remaining banks.

Discussion

Eurostat asked the BoG what the situation was as regards the preference shares of the Eurobank, amounting to 950 million EUR and Attica Bank – 100 million EUR. The BoG explained that in 2017 there was no change, the shares were continuing beyond their expiry date. However, there were developments in 2018, as in January 2018 Eurobank has repaid the preference shares. The situation did not change as regards Attica bank.

Findings and conclusions

Eurostat took note of the explanation.

ANFA and SMP

Introduction

ANFA and SMP payments were suspended by Eurogroup in 2015 until further notice. Since then only BoG transfers of SMP/ANFA profits were received by the State.

Discussion

The Greek statistical authorities confirmed that only disbursement from the BoG was received in 2017. What will happen to the ANFA/SMP profits will be decided at the end of the ESM programme, i.e. by end August 2018.

Findings and conclusions

Eurostat took note of the situation.

3.2.3. *Recording of retroactive compensations*

Introduction

Two cases of retroactive compensations due to government and their correct time of recording were discussed under this point of the agenda.

Discussion

Recording of compensations for Pensioners' health contributions

In 2013, an Ombudsmen's Decision determined that the pensioners' health insurance contributions calculated on gross pension, without taking into account the introduced pension cuts, was erroneous. The calculation method was therefore changed starting with 2016. From 2016 onwards, the health contributions are calculated on the factual pension (after all the deductions are applied). In November 2017 the Law was passed which established an obligation for the Greek government to compensate pensioners for the past years 2012-2016 overpaid health insurance contributions. The overall amount for compensation is 315 million EUR. Both Eurostat and ELSTAT agreed that the obligation for Government to compensate was established by the 2017 Law, therefore the full amount should be book as D.99 in the Q4 of 2017. ELSTAT informed Eurostat that the compensation will be done in two steps, first there will be a transfer from State (S.1311.1) to EFKA (S.1314), then EFKA will pay to S.14. ELSTAT confirmed that the agreed recording will be implemented in the April 2018 EDP notification.

Recording of compensation for Public service obligation (PSO) for supply of electricity in Greek islands

Discussion

The measure to clear the accumulated losses due from the public service obligation to the Public Power Company (DEI) was agreed as an action in the MoU under the ESM programme. The measure itself, the amounts involved and their recording in national accounts were discussed.

The measure to clear the accumulated losses due from the public service obligation to the Public Power Company (DEI) was agreed as an action in the MoU under the ESM programme.

In 2017, a Ministerial decision was passed to cover the deficits from PSO to supply electricity in the non-Interconnected Islands and from the so called social residential tariff. The Greek statistical authorities explained that the decision to cover accumulated deficits was taken by government unilaterally, and there was no legal obligation to do so. In the State budget a new expenditure code (KAE2765) was introduced and 476 million EUR paid out in the 4th quarter of 2017.

It has been noted that the 476 million included the compensation for the accumulated losses for the past period 2012-2017, as well as a compensation for the deficits that would be incurred in 2018 (for both measures PSO and social residential tariff around 63 million EUR).

It has been discussed under which ESA categories these amounts should be allocated and their time of recording in national accounts. As regards the compensation on PSO to supply electricity in the non-Interconnected Islands, the recording options as other subsidies on products (D.319) and as other capital transfers (D.99) were explored. In case of residential tariff compensation, the recording options discussed covered subsidies on products (D.31), social transfers in kind (D.63) and other capital transfers (D.99).

Finally it has been agreed that as regards the compensations for the past period, the most appropriate category would be D.99, then following the ESA 4.166 (a) the time of recording should be "when the payment is due to be made", that is, at the time of Ministerial Decision (2017). As regards the payment of 63 million EUR to cover the deficit of 2018, in the year 2017 it should be recorded as an advance (F.8) and government expenditure of 63 million EUR– subsidies on production (D.39) should be recognized in 2018.

Findings and conclusions

11. In relation to the compensation for the supply of electricity in Greek islands, Eurostat agreed that compensation of the past losses (2012-2017) to the companies should be recorded as a capital transfer (D.9) in the year 2017. Regarding the compensation foreseen for the year 2018, Eurostat suggest in national accounts to record prepayment of a subsidy on production in 2017 and recognise government expenditure in 2018 (63 million EUR).

Deadline: April 2018 EDP notification⁹.

3.3. Recording of specific government transactions

3.3.1. Financial derivatives

Introduction

The final outline of the Goldman Sachs (GS) swap operation was presented to Eurostat during the EDP visit.

Discussion

Eurostat noted that the foreseen operation to re-novation of the former GS swap was discussed with the Greek authorities in the past dialogue visits as well as bilaterally.

The Greek statistical authorities confirmed that the operation took place in December 2017. It has been explained to Eurostat that the operation was carried out in a different manner than previously foreseen. The NBG had exercised the option foreseen in the 2009 novation agreement, and re-novated the IRS from Titlos back to NBG. Titlos securitisation was terminated. The CSA was activated, the PDMA posted T-bills (of value 3.6 billion EUR) as collateral to NBG.

The Greek statistical authorities explained that further discussions are ongoing on whether to restructure the IRS or to cancel it out.

Findings and conclusions

Eurostat took note of the explanations.

3.3.2. Capital injections in public corporations, dividends

Introduction

Before the EDP visit, the Greek statistical authorities provided a list of capital injections undertaken by government and dividends received by government in 2017.

⁹ Implemented in the April 2018 EDP notification. AP is closed

Discussion

Eurostat took note that, as regards public corporations, capital injections were mainly done to units classified inside the government sector. The Greek statistical authorities confirmed that in 2017 there were no capital injections undertaken by the other central government units (S.1311.2). There were also injections to multilateral development banks (MDBs). Following the rules on capital injections into MDB facilities providing concessional loans, the 9.25 million injection into WB International Development Association IDA was treated as D.9.

Looking into the list of dividends, Eurostat asked about the dividends paid by entity EYDAP, as they seemingly referred to the previous year's results. Eurostat explained that proceeds have to be super-dividend tested and only the part not exceeding the operating profit of the previous year should be treated as D.42 in national accounts, while any payments out of reserves should be treated as withdrawal of equity F.5. The Greek statistical authorities were asked to check the case of EYDAP and correctly report super-dividends in the forthcoming EDP notification.

Findings and conclusions

12. In relation to the dividends paid by EYDAP in 2017, ELSTAT will ensure that only the part, super-dividend tested, referring to the profit of 2016, will be treated as dividend (D.42) in national accounts. The remaining amount should be recorded as withdrawal of equity.

Deadline April 2018 notification¹⁰.

3.3.3. Privatization

Introduction

The data on sales of shares as well as sales of non-financial assets were provided by the Greek statistical authorities before the EDP visit.

Discussion

Eurostat took note that in 2017 the State received around 10 million EUR from the sale of shares. This cash inflow in the WB will be neutralised in the EDP table 2A1 via an adjustment under *Other financial transactions* B.13 "*Financial revenue from privatization included in the WB*". As regards privatisation undertaken by S.1311.2 units, the biggest transaction concerned sales of TRAINOSE (44 million EUR).

Findings and conclusions

Eurostat took note of the situation.

3.3.4. EU flows

An updated so called "triangle" table on EU funds was provided by the Greek statistical authorities before the EDP visit.

Eurostat took note of the data provided.

¹⁰ Implemented in the April 2018 EDP notification. AP is closed.

3.3.5. *Military expenditure*

It has been recalled that three adjustment lines refer to military expenditure in the EDP table 2A1. Cash inflows are excluded from the working balance (H.28), instead deliveries are included (H.27). Item H.29 neutralises the cash that was unused and thus returned back to the State.

3.3.6. *Public Private Partnerships (PPPs) and concessions*

PPPs

Introduction

The situation with the PPP projects was reviewed.

Discussion

The Greek statistical authorities confirmed that there are no new PPP projects foreseen for 2018.

As regards the two waste treatment PPPs, it has been recalled that PPP waste treatment in Epirus Region was recorded off government balance sheet.

A PPP on the waste treatment in Serres region was changed receiving an approval from the Court of auditors. ELSTAT will send an updated analysis taking into account the introduced changes as soon as possible.

Concessions

Regional airports

Introduction

Before the EDP visit the Greek statistical authorities provided Eurostat with their analysis of the regional airports concession (as a follow up on the AP 22(12) from September 2017 EDP visit).

Discussion

The 40 year concession of 14 Regional Airports in fact consists of two concession agreements each covering a cluster of 7 regional airports. Both contracts are identical. The concession contracts have been signed in 2015 and ratified by the Greek Parliament in May 2016. The financial clause of the project was finalised around March 2017 and the concession commencement date is 21 April 2017.

The concessionaire is a private consortium. Concessionaire will have to do investments and the contract specifications foresee assets meeting IATA standards. During the whole period of 40 years the preliminary estimated total investment is 1.4 billion EUR. It would involve both building new assets and renovating the existing assets. The concessionaire will pay an upfront concession fee and a regular concession fee.

The Greek statistical authorities conclude that the concessionaire is a private entity and is not controlled by government. The concessionaire bears majority of risks and rewards relating to

the project. Answering to Eurostat questions the Greek statistical authorities also specified that there is neither an explicit government guarantee, nor minimum revenue guarantee. It has been agreed that concession assets should be recorded off government balance sheet.

As regards the recording of the up front concession fee, it has been agreed that, following the ELSTAT analysis, the up-front fee should be considered as advance in 2017 and should be accrued over the life of the contract. As regards the recording of the annual fee, for the simplicity reasons, it has been agreed to record it cash.

Findings and conclusions

13. As regards the concession of the 14 Regional airports, Eurostat agrees with ELSTAT's analysis, in particular, with the recording of concession assets off government balance sheet, the spreading of the upfront payment over the life of the contract and the cash recording of the fixed part of concession fee.

Deadline: April 2018 EDP notification¹¹.

AIA concession

Introduction

This issue was discussed in a number of previous EDP visits. Before the EDP visit the provided their update of the AIA concession.

Discussion

The concession prolongation was not finalised in 2017, therefore there were no flows recorded in 2017 and there are no immediate statistical implications.

The Greek statistical authorities informed Eurostat that, currently, the project was submitted to DG COMP for approval.

Findings and conclusions

Eurostat took note of the explanation.

3.3.7. Guarantees, Debt assumptions, debt cancellations and debt write-offs

Introduction

Data on stocks of government guarantees was provided to Eurostat before the EDP visit.

Discussion

The Greek statistical authorities confirmed that there were no debt assumptions, debt cancellations and debt write-offs for the year 2017.

As regards the stocks of government guarantees, ELSTAT indicated that the data comes from GAO. The information usefully distinguishes between guarantees given to units classified inside and outside GG and is also showing stocks of guarantees to private enterprises and

¹¹ Implemented in the April 2018 EDP notification. AP is closed

guarantees for natural disasters. A small inconsistency as regards stocks for 2016 was identified by Eurostat while comparing the provided table and the amounts reported in questionnaire table 9.1. The Greek statistical authorities explained that this inconsistency will be eliminated in the forthcoming EDP notification, when table 9.1 will be revised¹².

Findings and conclusions

Eurostat took note of this explanation.

3.3.8. Sale and leaseback operations

The Greek statistical authorities confirmed that there were no sale and lease back operations in 2017.

3.3.9. Carbon trading rights

No issues were raised.

3.3.10. Others: Disposals of non-financial assets by general government, securitisation, TV licences, etc.

Introduction

The new developments as regards the auction for television broadcasting licence were discussed under this point of the agenda.

Discussion

It has been recalled that the prepayments on TV licences sold in 2016 were recorded as F.8 payables of government. The licences were supposed to become available starting January 2017. However there was an ongoing Court case where the sale was contested. The Greek statistical authorities informed Eurostat that the Court has ruled that the sale process had to be cancelled. Consequently the pre-paid amounts were returned back to the bidders. An outflow of 85 million EUR in the working balance of EDP table 2A1 in 2017 was neutralised (via adjustment H.73).

Findings and conclusions

Eurostat took note of the explanation.

4. ANY OTHER BUSINESS

4.1. KOMVOS database

Introduction

The KOMVOS data collection system of the Ministry of Interior (MoI) is being used by ELSTAT for compilation of local government non-financial transactions. As financial stocks and flows are not yet included in KOMVOS, the EETAA database is still being used for financial data. It has been discussed in the previous dialogue visits that there are plans to include financial data – stocks and transactions into KOMVOS database.

¹² Implemented in the March 2018 EDP notification.

Representatives from the Ministry of Interior presented the progress as regards the KOMVOS data base.

Discussion

The MoI representatives explained that KOMVOS system operates since 2016. Both general government entities and non-government entities are obliged to submit data to KOMVOS. Among those are municipalities and regions, municipal enterprises (governed by private Law), municipal water supply and sewage companies, foundations and legal entities governed by public law, various associations of municipalities. Among the financial data requested are budget and its execution, balance sheet items, financial commitments, annual financial statements, monthly data on municipality revenue. For the purpose of the MoI KOMVOS allows making financial analysis.

Eurostat was informed that, all in all, around 1500 entities are expected to be sending data to KOMVOS. In about three months' time it is expected to have balance sheet items as well as commitment reports. It will not only integrate information but will also perform consistency checks. The KOMVOS will collect financial data of 2018, thus it could be used for April 2019 EDP notification.

It has been explained that once KOMVOS incorporates all data for all units the access to DB as users will be given to ELSTAT. Currently the MoI sends the data to ELSTAT on request.

To Eurostat question of what are the procedures to check the data, MoI explained that some automatic checks will be installed on the unit's level. Currently the system is still new, so there are some problems with interpretation by different units, and in case of identified problems units are contacted by phone or by mail.

Eurostat asked whether there were cases when the data is not sent. The MoI explained that response is very good as regards Municipalities, but some problems exist with entities of private law. The existing Ministerial Decision foresees some sanctions, e.g. in the form of cutting the grants to the unit. The new 2018 Ministerial Decision foresees varying sanctions depending on the time for which no data was submitted and this has proven to be an effective measure.

Findings and conclusions

14. Eurostat welcomes the progress on the KOMVOS data base, and takes note that the financial data will become available for 2018 data starting from the April 2019 EDP notification and that ELSTAT will have direct access to the database¹³.

4.2. Other

Introduction

The IMF observer informed Eurostat and other participants of the EDP visit on their work alongside the Greek authorities (primarily GAO and ELSTAT) on the reconciliation of the cash data from the general government monthly bulletin, reported by GAO, with ELSTAT annual accrual based government accounts for the year 2016. It has been noted that the fact that two

¹³ The presentation of the MoI was provided to Eurostat on 23/03/2018.

different statistical data sets compiled by two separate institutions using different data sources could be reconciled, is an indication of the reliability of statistical reports. On the other hand, more attention is to be given and further steps to be taken to improve the quality, comprehensiveness, and integrity of administrative source data which are used to compile GFS. Both institutions were thanked for their involvement and contribution to the project.

It has been also explained that, currently, a new chart of accounts (COA) for State budget is being implemented at GAO. The new COA is supposed to be harmonized with the ESA 2010. The attention of the Greek statistical authorities was drawn to the importance to extend the chart of accounts to Single treasury accounts (TSA) and to other government subsectors. Eurostat stressed that it is also an opportunity to address the needs of ELSTAT, as compiler of government accounts.

Findings and conclusions

15. As regards the *New chart of accounts* being implemented in the GAO, Eurostat stressed the importance of making sure that national accounts needs of ELSTAT are being taken into account¹⁴.

¹⁴ A note on this issue was provided to Eurostat on 13/08/2018.

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EDP dialogue visit to Greece, 21-22 March 2018

Starting on 21 March 2018, 09:00

Draft Agenda

1. April 2018 EDP notification – Analysis of EDP tables, analytical information and questionnaire related to EDP (year 2017)

2. Follow up of the October 2017 EDP notification and the EDP visits of 2017 (years 2014-2016)

- 2.1. Olympic Airways liquidation and Athens airport dividends
- 2.2. Adjustments for treasury accounts
- 2.3. Pension arrears: observed average delays between submission of claims, recognition of claims and settlement and analysis of the need for accrual adjustments to be applied in national accounts (AP 4 and AP 5 from September 2017 EDP visit)
- 2.4. Questionnaire related to the EDP notification tables (progress achieved and remaining issues)
- 2.5. Inconsistencies with ESA table 27
- 2.6. Any other issues impacting April 2018 EDP

3. Methodological issues and recording of specific government transactions – follow up on open APs and any operations impacting 2017 data

3.1. Delimitation of general government

- 3.1.1. Any changes in sector delimitation of general government since October 2017
- 3.1.2. Progress on AP 5 from January-February 2017 – classification work of local government units
- 3.1.3. Progress on AP 11 from the September 2017 EDP visit- units in liquidation

3.2. Implementation of the accrual principle

- 3.2.1. Taxes and social contributions:
 - Tax reform measures and their impact on the recording in national accounts
 - Statistical implication from tax offsets (AP 13 from September 2017 EDP visit)

- DTAs – potential impact on 2017 data
- 3.2.2. Recording of Interest (including step up interest on PSI bonds – AP 17 from September 2017 EDP visit)
- Accrued interest on preference shares purchased in 2009
 - ANFA and SMP
- 3.2.3. Recording of compensations of:
- Pensioners health contributions
 - Public service obligation (PSO) for supply of electricity in Greek islands

3.3. Recording of specific government transactions

- 3.3.1. Financial derivatives
- 3.3.2. Capital injections in public corporations, dividends
- 3.3.3. Privatization
- 3.3.4. EU flows
- 3.3.5. Military expenditure
- 3.3.6. Public Private Partnerships and concessions
- 3.3.7. Guarantees, Debt assumptions, debt cancellations and debt write-offs
- 3.3.8. Sale and leaseback operations
- 3.3.9. Carbon trading rights
- 3.3.10. Others: Disposals of non-financial assets by general government, Financial derivatives, securitisation, TV licences, etc.

4. Any other business