

Table 14. Greece: Structural Reforms Ahead

| Measures | EC MoU deadline | Description | Macroeconomic implications |
|--|-----------------|---|---|
| <i>Sectoral deregulation</i> | | | |
| Legislation on passenger road transportation | Q1-2011 | The law will remove restrictions on the provision of services for occasional passenger transport by buses, coaches and limousines. Any operator meeting clearly specified criteria related to professional capacity will be granted unlimited access to the market. The cost for granting and renewing of licenses shall not exceed the administrative costs related to the licensing procedure and shall be levied in proportion to the number of vehicles licensed. The method for calculating the fees must be transparent and objective and shall not lead to over recovery of costs occurred. | Facilitate the entry of new competitors, thereby reducing the costs and improving the quality of transportation for passengers. |
| Concession agreement for regional airports | Q1-2011 | Government adopts a new regulatory framework to facilitate the conclusion of concession agreements for regional airports. The new regulatory framework should remove anticompetitive practices and foresee appropriate oversight of the allocation and operation of concessions, in full respect of state aid rules. | Contribute to the development of the tourism sector. |
| Liberalization of the electricity sector | Q1-2011 | The liberalization affects all segments of activity of the incumbent monopoly PPC. In electricity generation, the incumbent has commenced the implementation of the plan ensuring access to low-cost lignite-fired generation to competitors and the management of hydro reserves will soon be awarded to an independent body. The unbundling of transmission and distribution from generation has begun with the identification of the assets and personnel associated with these two systems. The gradual process of tariffs deregulation also started in Q1-2011. | Improve the quality of the service and attract new investments. |
| Retail and Tourism liberalization | Q1-2011 | Proposals under further development include: <ul style="list-style-type: none"> • Retail sector: (i) increase competition (greater flexibility in sales and promotions periods, opening hours and number of selling points per product); (ii) enhance companies' productivity (taking full advantage of recent labor market reform and the fast-track mechanism for new investments); (iii) address structural inefficiencies. • Tourism sector: (i) improve product and marketing strategy; (ii) improve country's accessibility (increase direct flight connectivity and facilitate foreigners' entry requirements, reviewing pricing against demand elasticity); (iii) accelerate revision of zoning restrictions to enable targeted development of integrated resorts. | Foster employment, growth, and disinflation. |
| <i>Business environment</i> | | | |
| Legislation on public procurement | Q1-2011 | Legislation should establish a Single Public Procurement Authority (SPPA). The SPPA will be mandated to issue opinions on any new legislation affecting public procurement, draft standardized tender documents of a binding nature and be vested with the power to perform effective control functions. | Reduce costs and improve the quality in provision of goods and services to the Public Administration. |
| Strengthening the role of the Labor Inspectorate | Q2-2011 | Government ensures that Labor Inspectorate is adequately resourced with qualified staff. Quantitative targets are set on the number of controls to be executed. Government adapts to require the registration of new employees before they start working. | Tackle undeclared work, enhance the labor tax base and ensure a more equitable distribution of the tax burden. |
| Law simplifying export procedures | Q3-2011 | Government takes decisions to simplify the process to clear customs for exports and imports and give larger companies or industrial areas the possibility to be certified to clear cargo for the customs themselves. Government abolishes the requirement of registration with the exporter's registry of the chamber of commerce for obtaining a certificate of origin. | Stimulate exports. |