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COMMISSION IMPLEMENTING DECISION

of 8.10.2024

**on the authorisation of the disbursement of the fourth instalment of the non-repayable
support for Greece**

(Only the Greek text is authentic)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.

Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Greece² (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Greece has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.

- (2) On 6 June 2024, Greece submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the fourth instalment of the non-repayable support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Greece³ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (3) The Commission made a positive preliminary assessment of the satisfactory fulfilment of all 20 relevant milestones and targets related to the non-repayable support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10152 2021 INIT and ST 10152 2021 ADD 1, as amended by 15831/1/23 REV 1 and 15831/23, ADD 1 REV 1, not yet published.

³ Recovery and Resilience Facility Operational arrangements between the European Commission and Greece entered into force on 21 December 2021 and were amended on 12 June 2024, with the amendment also entering into force on that date.

the Economic and Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with Article 25(4) of that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. The Economic and Financial Committee agreed with the Commission on the positive preliminary assessment and was of the opinion that Greece has satisfactorily fulfilled the milestones and targets associated with the payment request. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (4) Section 3(1)(4) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the fourth instalment of the non-repayable support for an amount of EUR 1 155 362 463.
- (5) Milestone 1 provides for the notification of the award by the Independent Power Transmission Operator of all contracts for the complete installation of a set of electricity interconnection in the Cyclades islands and Peloponnese: 1) Naxos - Thira cable connection; 2) Extra High Voltage Cable Koumoundouros-Korinthos; and 3) Substations Milos, Folegandros, Serifos and cable connections Lavrio-Serifos, Serifos-Milos, Milos-Folegandros, Folegandros-Thira. The evidence provided by Greece demonstrates that the respective contracts were awarded in line with the requirements laid down in milestone 1. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (6) Target 6 provides for new capacity of 1 Gigawatt in the electricity production from renewable energy sources (RES) installed and put into operation. The evidence provided by Greece demonstrates that the capacity of the installed projects that were put into operation by the Managing Body for renewable energy sources (DAPEEP) between 1 January 2021 and 30 June 2023 amounts to 2.56 Gigawatts (higher than the required target of 1 Gigawatt of new RES capacity installed and operational). On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (7) Target 7 provides for new capacity of 1 additional Gigawatt (i.e., 2 Gigawatts in total, together with Target 6 above) in the electricity production from RES installed and put into operation. The evidence provided by Greece demonstrates that the capacity of the installed projects that were put into operation by the Managing Body for renewable energy sources (DAPEEP) between 1 January 2021 and 30 June 2023 amounts to 2.56 Gigawatts (higher than the required target of 2 Gigawatts of new RES capacity installed and operational). On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (8) Milestone 11 provides for the notification of award of all contracts for selected energy storage projects to enhance the penetration of RES (i.e. besides the Amfilochia Pumped Hydro Storage that is implemented through an individual process), for a minimum capacity of 500 Megawatts. The evidence provided by Greece demonstrates that all contracts were awarded between 10 August 2023 and 15 February 2024 and that the projects for all the contracts awarded represent a total capacity of 711 Megawatts (which is above the targeted minimum capacity required in milestone 11). On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (9) Milestone 34 provides for the approval by the Ministry of Environment and Energy of applications for energy efficiency renovations for at least 150 public sector buildings

ensuring that the CO₂ emissions of these respective buildings is reduced by, on average, at least 30% compared to their existing situation. The evidence provided by Greece demonstrates that the applications of 172 public sector buildings were approved in line with the requirements laid down in milestone 34. In addition, all approved applications included an obligation to reduce CO₂ emissions by 30% per building, in line with the requirements laid down in milestone 34. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (10) Milestone 37 provides for the notification of the award of the contract(s) for the appointment of private sector partner(s) to carry out the construction and renovation works in the Olympic Athletic Centre of Athens (OAKA) to enhance energy efficiency for its (i) Central Stadium; (ii) Mechanical and Electrical works; and (iii) outdoor areas, and the start of works. The evidence provided by Greece demonstrates that the contract was awarded to a private company, Mytilineos, on 16 March 2023 in line with the requirements laid down in milestone 37. In addition, the technical specifications for the tender outline the types of construction and renovation works to be carried out at OAKA, including to improve its energy efficiency in the three areas of work listed above, in line with the requirements laid down in milestone 37. Lastly, a letter from the project director of Mytilineos to OAKA, as well as three certificates of delivery and installation of equipment prove that the works referred above have started, in line with the requirements laid down in milestone 37. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (11) Milestone 61 provides for the notification of award of all contracts for Antinero programmes I and II for the upgrade of 37 500 hectares of degraded forest ecosystems, including forest and woodland clearings and the maintenance of the forest road network and existing fire zones. The evidence provided by Greece demonstrates that 71 contracts were awarded by the Ministry of Environment and Energy between 24 March 2022 and 7 March 2024 in line with the requirements laid down in milestone 61. In addition, the corresponding 28 calls for applications, dated between 17 February 2022 and 28 February 2024, outline the type of works (in line with the clearing and maintenance works referred above), and prove that the total number of hectares to be upgraded amounts to 37 703 hectares, in line with the requirements laid down in milestone 61. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (12) Milestone 66 provides for the issuance of a call of interest for water infrastructure projects, including the following requirements: (i) for newly constructed systems to have an Infrastructure Leakage Index (ILI) that shall be less or equal to 1,5 (ii) for renovation activities to decrease the leakage by more than 20% or to decrease the average energy consumption by more than 20% and (iii) for desalination plants to be connected to renewable energy sources and to have an average energy consumption that shall be less or equal to 0,5 kilowatts. Moreover, the milestone provides for the approval of applications for water infrastructures by the Ministry of Environment and Energy. Lastly, the investment provides for the construction of new water supply infrastructures in at least seven areas and at least three desalination plants and this measure does not do significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852. The evidence provided by Greece demonstrates that the Ministry of Environment and Energy issued on 4 August 2022 the Call for Proposals No. 80480/1955, modified on the same date by the Call for Proposals No. 88397/2127, inviting the submission of applications for water

infrastructure projects in line with the three requirements listed above. Moreover, the evidence provided by Greece demonstrates that on 30 May 2024, the Minister of Environment and Energy and the Alternate Minister of Economy and Finance issued the Joint Ministerial Decision No. 58524/1492, listing the 81 water infrastructure applications that have been approved to be supported under this measure, which include seven new water supply infrastructures and three desalination plants, in line with the requirements laid down in milestone 66. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (13) Milestone 87 provides for the notification of the award of contract(s) following the successful completion of the tender process for the so-called ‘Small Satellites’ project. The investment shall support connectivity services, as well as earth observation applications in the fields of mapping, shipping, precision agriculture, spatial planning and others. The evidence provided by Greece demonstrates that all contracts that are part of the project have been awarded by the European Space Agency (ESA, which is undertaking the management of all technical and contractual aspects of the investment) following the successful completion of the associated tender processes, in line with the requirements laid down in milestone 87. Besides, the measure concerns the development of a constellation of small satellites that supports connectivity services and observation applications in the fields indicated above, in line with the requirements laid down in milestone 87. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (14) Milestone 135 provides for the completion of the digitisation, storage and filing of the archives of the Public Employment Service (DYPA). The measure also provides for the creation of an information system for the digital transformation of DYPA with a view to make the services of DYPA more effective. The evidence provided by Greece demonstrates that the project of the digitisation, storage and filing of the archives of DYPA has been completed towards its digital transformation and increasing the effectiveness of the services offered, in line with the requirements laid down in milestone 135. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (15) Milestone 143 provides for the notification of the award of contract for a quality control system for vocational education and training aimed to improve quality control over the vocational training units of the Public Employment Service (DYPA), mostly through assessing its output and tracking progress and performance of trainees in the labour market. The evidence provided by Greece demonstrates that the contract was awarded and that the selected bidder was notified of the contract award decision in line with the requirements laid down in milestone 143. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (16) Target 154 provides for the enforcement of previously adopted efficiency enhancing measures to achieve a reduction of the 2022 pharmaceutical clawback for outpatient and inpatient pharmaceuticals by EUR 50 000 000 compared with the 2020 levels. The evidence provided by Greece demonstrates that administrative and legislative measures were taken to rationalise pharmaceutical expenditure. The evidence also demonstrates that the reduction in the pharmaceuticals clawback for 2022 amounted to EUR 74 711 773.11 compared to the 2020 levels, exceeding the targeted amount of EUR 50 000 000 in target 154. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (17) Milestone 203 provides for the entry into force of the codified Code of Tax Administration and the codified Income Tax Code (including primary and secondary legislation), to simplify and update the legislation in the light of digitalisation and EU best practices. The evidence provided by Greece demonstrates that the codified Code of Tax Administration was achieved through the entry into force of a primary law supplemented by four secondary legislative acts in line with the requirements laid down in milestone 203. The evidence provided by Greece demonstrates that the codified Income Tax Code was achieved through the entry into force of a primary law supplemented by a secondary legislative act in line with the requirements laid down in milestone 203. Greece has reformed the Income Tax Code through a series of reforms from November 2020 to December 2023 to simplify and update the legislation in the light of digitalisation and EU best practices. The reform process was completed by entry into force of Law 5073/2023 of December 2023. As a result of the particular procedures of Greece, the final stage of the codification was achieved through an administrative codification of the Income Tax Code that provides additional legal commentary for taxpayers on the primary law. Since the primary legislation was unchanged by this process, this final stage of the codification was achieved through an additional provision in Article 83(55) of law 5104/2024 to require the Minister of Finance by Ministerial Decision to notify the administratively codified Income Tax Code to the tax administration and to immediately publish the up-to-date Income Tax code on the Ministry's website. The Council Implementing Decision required the entry into force of the codified Income Tax Code, however the final administrative codification of the Income Tax Code does not as such enter into force. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, this does not affect the progress towards the achievement of the reform that the milestone represents, taking into account that the tax legislation was simplified and updated, in line with the requirements of milestone 203. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (18) Target 228 provides for the enrolment of 14 magistrate court judges and 1 judge of the court of audit in the national school of judges, bringing the total number of judges participating in training to 25. The evidence provided by Greece demonstrates the enrolment of 14 magistrate's court judges and 1 court of audit judge in the national school of judges in line with the requirements laid down in target 228. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (19) Milestone 229 provides for the receipt of official evidence, by means of appropriate documentation, of the due and punctual performance of all contractual engagements in the context of the digital transformation of Justice due by the date of submission of said documentation to the external auditor, in compliance with project calendars, covering all elements of two subprojects, the first one related to court record systems and the second one to upgrades to IT Justice systems (civil and penal courts, court of audit, national criminal record). The evidence provided by Greece demonstrates that all constitutive elements of the milestone due within the period of reference (namely up to 21 April 2024) were duly fulfilled with respect to the deliverables of both subprojects, as established by the submitted certifications of completion, protocols of qualitative and quantitative acceptance, issued invoices and evidence of disbursement, in line with the requirements laid down in milestone 229. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (20) Milestone 230 provides for the entry into force of primary and secondary legislation to set up a temporary bonus system for judicial clerks, based on the development of a judicial clerks performance tool setting strategic goals and introducing objective key performance indicators by department and/or category of clerks and providing accurate and objective data on the allocation of bonuses, to be payable in the first quarter after the end of the relevant year, based on of that year's performance. The evidence provided by Greece demonstrates the adoption and entry into force of two legal acts, namely Law 4940/2022, whose relevant provisions entered into force on 14 June 2022, and Joint Ministerial Decision of the Ministers of National Economy and Finance and of Justice 7462, which entered into force on 29 December 2023. The evidence provided further demonstrates that the adopted secondary legislation covers all constitutive elements of the milestone; more specifically, the temporary character of the bonus system, the setting of strategic goals, the introduction of objective key performance indicators by department and/or category of clerks, the provision of accurate and objective data on the allocation of bonuses and the stipulation that they are payable in the first quarter after the end of the relevant year, on the basis of that year's performance. While the Council Implementing Decision required the distribution of bonuses based on the individual performance of judicial clerks, the joint ministerial decision stipulated that, for the first year (2022), half of the total amount of the bonus would be distributed among all potential beneficiaries, whereas the remaining half of the amount for 2022, as well as the total amount for each of the following years will be distributed on an individual performance basis. Whilst this partially horizontal distribution for the year 2022 constitutes a minimal substantive deviation from the requirement of the Council Implementing Decision, it was justified by taking into account the understaffing of the judicial services of Greece, due to the filling of only around 65% of the statutory posts (that is 5678 out of 8735 positions for court clerks), and the consequent need for permanent overperformance and overtime work of serving clerks, in order to address the accumulated volume of their various duties. The partially horizontal distribution of the 2022 bonus amount would facilitate a smooth transition to the bonus system for court officials and thereby increase their interest in participating in the digital transition of justice, as well as in the modernisation and resulting acceleration of judicial proceedings, further contributing to the achievement of the milestones of the Recovery and Resilience Plan concerning the digital transformation of justice and the revision of the judicial map. In this respect, it should be noted that, in establishing a partly fixed and partly variable payment of the bonus only for the first half of the first year of the three-year period, the Greek authorities opted for the stricter route of the options outlined by a report commissioned to the World Bank. For these reasons, this minimal deviation does not change the nature of the measure and does not affect the progress towards achieving the reform that the milestone represents. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (21) Milestone 231 provides for the award of contracts for construction projects concerning judicial premises not affected by the revision of the judicial map, in compliance with do not significant harm requirements and including terms setting out that the new buildings shall achieve a Primary Energy Demand (PED) that is at least 20% lower than the NZEB (nearly zero-energy building) requirement. The evidence provided by Greece demonstrates that all contracts related to construction projects not affected by the revision of the judicial map, namely the ones concerning the court of audit, the council of state, the Piraeus judicial building and the Athens administrative courts, were awarded between 7 March 2023 and 1 February 2024, in line with the

requirements laid down in milestone 231. The evidence provided further demonstrates that the restoration and upgrade projects (court of audit, council of state, Athens administrative courts) are in compliance with the DNSH requirements, while the sole new construction project (Piraeus judicial building) is in compliance with the PED 20% lower than the NZEB requirement, in line with the requirements laid down in milestone 231. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (22) Milestone 257 provides for the notification of award of contracts for at least 2 300 locations ensuring (a) improvement the safety of road networks across the country, on approximately 7 000 dangerous locations and (b) minor improvements for the rest of 2 500 km. The measure is subject to an Environmental Impact Assessment (EIA) to ensure compliance with the DNSH principle at the stages of construction, operation and decommissioning of the infrastructure. The evidence provided by Greece demonstrates that contracts had been awarded for interventions in 2411 dangerous locations across the country, exceeding the milestone's requirement of at least 2 300 locations. The evidence provided by Greece also demonstrates that the bidders were notified of the contract award decisions, in line with the requirements laid down in milestone 257. Besides, the evidence provided by Greece demonstrates that the requests for proposals and the technical reports, which, in some procedures, formed part of the documentation in the tendering process, to further elaborate on technical requirements listed in the requests for proposals referred to the types of interventions in line with the requirements laid down in milestone 257. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (23) Milestone 260 provides for the notification of the award of contracts for the construction of the Cretan Northern Highway (BOAK) which connects the four major cities of Crete. The investment consists of three sub-projects: a) the Concession Agreement (*“Design - Construction - Financing - Operation - Maintenance and Exploitation of the North Road Axis of Crete in the section Chania – Heraklion”*); b) the Public-Private Partnership (*“Design, Construction, Financing, Operation and Maintenance of the section Hersonissos - Neapolis, with PPP”*); and c) Public Works (*“Conversion into a motorway of the North Road Axis of Crete section: Neapoli - Agios Nikolaos in the Regional Unit of Lasithi”*). The measure is subject to an Environmental Impact Assessment (EIA) to ensure compliance with the DNSH principle. The evidence provided by Greece demonstrates that the contracts were awarded and the bidders were notified of the contract award decisions, in line with the requirements laid down in milestone 260. The evidence provided by Greece also demonstrates that the three sub-projects indicated above complied with the DNSH principle, in line with the requirements laid down in milestone 260. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (24) Milestone 267 provides for the notification of the award of contracts for rectification works of 13 regional airports to comply with the Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency (EASA). The measure requires the economic operators carrying out the construction works to ensure that at least 70% (by weight) of the non-hazardous construction and demolition waste generated on the construction site shall be prepared for re-use, recycling and other material recovery, including backfilling operations using waste to substitute other materials, in accordance with the waste hierarchy and the EU Construction and

Demolition Waste Management Protocol. The evidence provided by Greece demonstrates that the signature on 6 May 2022 of the “EASA compliance works design construction contract” for the design and implementation of works upgrading six regional airports (Corfu, Kavala, Kefalonia, Zakynthos, Aktion and Chania), and of the “EASA compliance works design construction contract” for the design and implementation of works upgrading seven regional airports (Rhodes, Santorini, Mykonos, Kos, Skiathos, Mytilini and Samos), provides for these airports obtaining certification as EASA certified airports, including the withdrawal of any Deviation Acceptance and Action Document (DAAD) issued for these airports, in line with the requirements laid down in milestone 267. Besides, the evidence provided by Greece demonstrates that all contracts awarded comply with the EU Construction and Demolition Waste Management Protocol, in line with the requirements laid down in milestone 267. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (25) Furthermore, the Hellenic Republic has also confirmed that previously satisfactorily fulfilled milestones and targets have not been reversed.
- (26) Following the fully positive assessment concerning the Hellenic Republic’s payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the fourth instalment of the non-repayable support should be authorised.
- (27) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall be cleared by being proportionally deducted against the payment of the instalments. As Greece received EUR 2 468 826 523 of the financial contribution as pre-financing, an amount of 156 758 071 of the payment should be utilised to clear the pre-financing, of which EUR 14 913 746 to clear the pre-financing for the REPowerEU chapter.
- (28) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.
- (29) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the fourth instalment of the non-repayable support as laid down in Section 3(1)(4) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Greece for an amount of EUR 1 155 362 463 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Hellenic Republic, EUR 156 758 071 shall be utilised to clear the pre-financing of the financial contribution

EUR 998 604 392 shall be provided to Greece by means of payment to the bank account indicated in the Financing Agreement.

Article 2
Addressee

This Decision is addressed to the Hellenic Republic.

Done at Brussels, 8.10.2024

For the Commission
Paolo GENTILONI
Member of the Commission