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Executive Summary

# REFORMS IN PUBLIC ADMINISTRATION UNDER THE CRISIS



*Coordinator, Editor:*  
Calliope Spanou



PAPAZISSIS PUBLISHERS





# Reforms in Public Administration under the Crisis

## Executive Summary



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Calliope Spanou (Coordinator - Editor)

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# Reforms in Public Administration under the Crisis

## Executive Summary



Coordinator, Editor:  
**CALLIOPE SPANOU**



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ATHENS 2019

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The present overview includes references to the main aspects of the reforms examined in depth in the full version of the Report, which is available (in Greek) in electronic format on the website of ELIAMEP ([www.eliamep.gr](http://www.eliamep.gr)).

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## PREFACE



Greece has gone through a long and very deep crisis, a crisis that broke out when Greece was exposed as the most vulnerable member of the Eurozone which in turn had been hardly prepared for bad weather. Much has changed in Greece during the crisis: it has been extremely painful and highly controversial.

We have tried to understand the causes of the crisis and draw lessons from the way it has been managed or mismanaged by Greeks, Europeans partners and the IMF. In 2018, ELIAMEP published two major studies on economic reforms and reforms in public administration in the context of the adjustment programmes agreed with Greece's creditors.

What follows is the executive summary in English of a major study undertaken by a team of researchers under the direction of Professor Calliope Spanou taking stock of changes in Greek public administration during this period and evaluating the results. The longer version of this extremely valuable work is available at ELIAMEP's website in Greek. A difficult starting point, over-ambitious programmes and insufficient political will help to explain the considerable mismatch between the effort invested and what came out of it in the end. Hopefully, we will be wiser in the future.

Loukas Tsoukalis, President of the Board  
January 2019



## INTRODUCTION



During the three macroeconomic adjustment programmes that were implemented in the period 2010–2018, the deficiencies of the Greek public sector and public administration were considered responsible for the country's woes. The extent, intensity and ambition of the reform requirements outlined in the corresponding Memoranda reveal an 'institution-building' perspective on a 'big-bang' scale. The sovereign debt crisis appeared as an opportunity for a radical transformation of the Greek public administration. Hence, administrative reform has been an extensive and integral chapter of the structural reforms undertaken, while the technical assistance of the EC offered the necessary know-how.

Upon completion of the third adjustment programme, the following question arises: what changes took place and how much did they actually address pre-existing administrative weaknesses? Under the adverse conditions of a strict fiscal adjustment process, the administration was subject to multiple interventions, either following a short-term fiscal or a longer-term structural rationale. How far did the reforms go, in which direction did the administration change and, ultimately, was its capacity improved?

### • *Pre-existing weaknesses/deficiencies*

A core problem of the Greek political-administrative system has been the inability of an overgrown central apparatus to effectively regulate social and economic functions, as well as its own internal operation. The consequences of this state of affairs take the form of organisational, policy and regulatory fragmentation, as well as of practices that defy general rules and policy frameworks.

Fragmentation is evident in all policy areas: the quality of legislation, the multiplicity of regulations and the exceptions thereto, the variety of public employees' regimes, the organisational structure and division of responsibilities, the lack of horizontal integration mechanisms for coordination and control, the deficiency or absence of interoperability of (electronic) databases, etc.

Hence, weak coordination and policy coherence, together with the lack of transparency for citizens, businesses and civil servants, result in insufficient democratic accountability. In this context, formalism coexists with bypassing of existing rules, insofar as the political-administrative system seeks to avoid legal and procedural constraints while appearing to comply with them. The deeper causes are visible in clientelistic traditions and policy capture by fragmented corporatist and individual interests.

The OECD Review of the Central Administration (2011), which was drafted in accordance with an obligation stemming from the first Memorandum, follows such comprehensive approach. It highlights the interconnection between various problems and the need for reform measures of both horizontal and sectoral nature.

The diagnosis of problems in both these dimensions did not come as a surprise. On the contrary, these problems figured constantly on the pre-crisis political reform agenda, with no substantial or obvious political disagreement on the necessity to tackle them. In many cases, there had been technical assistance recommendations by international organisations and the EU, as well as domestic action plans supported by European funding.

In spite of these favourable conditions, no significant progress had been achieved. Thus, specific requirements were included in the structural reform agenda of the adjustment programmes, in the form of conditionalities or prior actions linked with the disbursement of loan installments. They were then subjected to

close monitoring, detailed guidance and tight deadlines, while they coincided with an era of unprecedented fiscal retrenchment.

• *Memoranda and administrative reforms*

Successive Greek governments were called upon to implement an extensive list of structural reforms within a very short period of time. Whether the reform agenda was realistic can be seriously questioned. The volume of the reform requirements during the crisis—particularly under the first two adjustment programmes—increased with each quarterly review, often due to delays in compliance. Delays in the successful completion of the review resulted in the introduction of more measures and requirements in successive programmes.

The agenda took the form of a ‘big-bang’, especially on issues related to administrative reform. Even with the contribution of the Technical Assistance Taskforce (TF-GR) set up by the European Commission in July 2011, these problems could not be addressed. The overloaded and pressing reform agenda had a side-cost, since the weak political-administrative apparatus was overburdened both as an instrument to promote a huge amount of reforms and as a reform target. The insufficient clarity and appropriateness of reform objectives not only raise questions but can also be regarded as a factor impeding effective action.

It is equally important to examine the context in which administrative reform was carried out. A drastic fiscal adjustment not only creates conditions unfavorable to supporting change but also ends up defining—if not distorting—the logic of structural reforms, such as the reform of the administration.

The overpowering fiscal priority, especially of the first two Memoranda, has only belatedly given space to meaningful structural reforms in the field of public administration, insofar as they were not directly related to fiscal consolidation. Under the pres-



sure of conditionality, governments were led to take measures that appeared to be spasmodic rather than well-balanced structural reforms. It is mostly in the third Memorandum that reform requirements were governed by a structural rather than fiscal rationale.

• *Objectives of the report*

Given the broadness of the issue, the scope of this report is selective. In an effort to provide a comprehensive picture, a classical horizontal approach of the administration is adopted, which entails procedures, human resources and organisational structures. Furthermore, a broadly underrated dimension is explored, namely the collection and processing of data that form the basis for policy making. These issues cover a large part of the observations and recommendations of the OECD Review of the Central Administration (2011), as well as of the Memoranda requirements.

However, given the importance of the administration's capacity to achieve policy objectives, two sectoral policies with chronic administrative inefficiencies are examined:

- Spatial policies, including strategic investment, and
- Combating undeclared work.

Finally, to highlight how the reform process is approached in the Memoranda, a quantitative analysis of the requirements relating to the public procurement system reform is provided.

\*

## PROCEDURES



### 1.1 Fiscal Management

A part from being at the core of state operation, the field of fiscal management encapsulates all its critical weaknesses. Although it is often viewed as a technical issue, the process of budget formulation and execution has traditionally been the most crucial aspect of democratic governance. Transparency and accountability in public finance management, together with the allocation of resources among different priorities and ongoing or future needs, are at the epicentre of democratic control as evidenced by the role of the Parliament in the process of budget approval and evaluation.

In Greece, however, this field can be characterised—at least until recently—as the ‘black box’ of governance. The weaknesses of fiscal institutions reached their peak at the dawn of the financial crisis, when fiscal reform came to the forefront.

Within the new framework that emerged from the crisis, the overall fiscal behaviour of the Greek political and administrative system, and more specifically the enhancement of its credibility vis-à-vis its partners and creditors, have been issues of key importance. The inability to provide accurate and timely fiscal reporting to international and EU organisations was directly linked to the lack of internal mechanisms and procedures that would have allowed the effective monitoring of crucial financial indicators, so as to identify deviations and promptly address their causes.

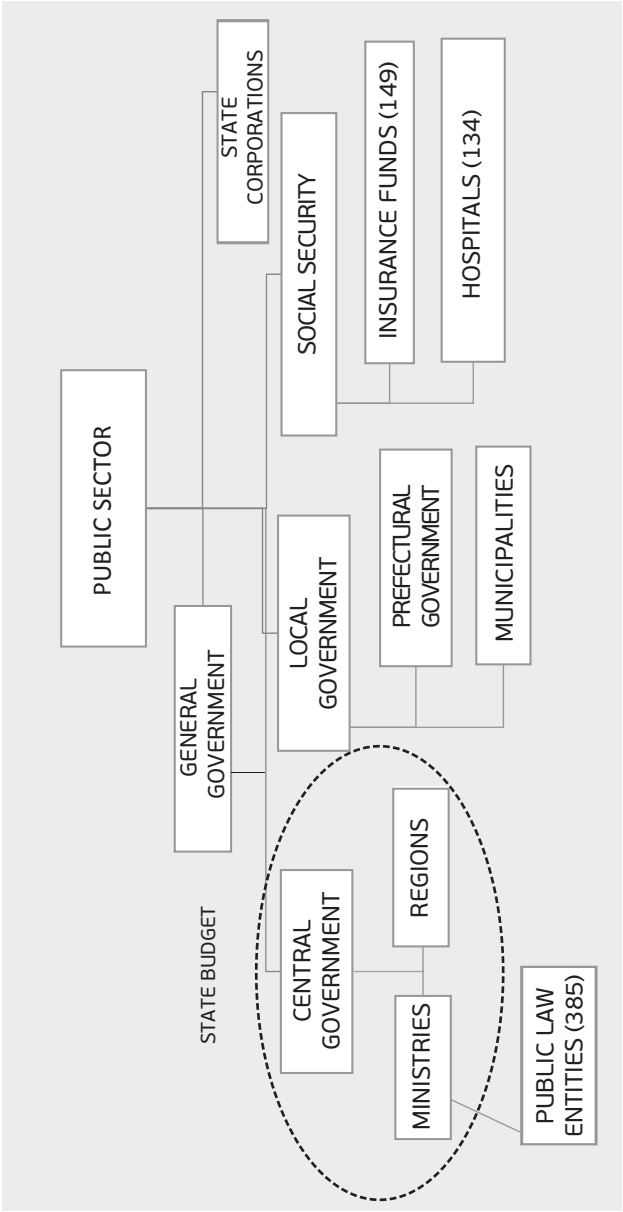
The problems in the process of budget formulation and execution, the diagnosis of their causes and the reform directions were well known to the Ministry of Finance and the General Accounting Office. Especially since the mid-2000s, converging observations and recommendations had been made by international organisations (IMF, OECD). From this perspective, fiscal management reform can be deemed particularly delayed.

A particular feature of this situation was the inability of the Ministry of Finance to centrally monitor budget implementation in real-time, besides the 60% of total expenditure that corresponded to the General government. All data related to fiscal indicators would come about with at least six months of delay, thus neutralising the capability to intervene for the prevention of potential imbalances. The unchecked liabilities of legal entities of private law (NPID), public corporations and utilities (DEKO), local authorities (OTA), pension funds and hospitals in excess of their budget created deficits and were belatedly discovered by the Ministry of Finance. As a result, budget forecasting was overturned, deficits and debts were created and no central authority possessed clear and comprehensive information.

This state of play is illustrated in Graph 1.

All these issues were already on the table towards the end of 2009, several months before Greece was forced to seek financial support. When the country ultimately resorted to the Support Mechanism and signed the Economic Adjustment Programme (May 2010), the ongoing initiatives to reform this decaying system inevitably became part of the required actions.

Graph 1  
Public Sector and State Budget until 2010



Source: OECD Journal on Budgeting 2008 (3), p. 12.

Fiscal management reforms are particularly far-reaching and include:

*1. Strengthening the central role of the Ministry of Finance (and the General Accounting Office, GAO)*

- Comprehensive government strategy with the drafting and voting of a three-year medium-term rolling Framework of Fiscal Strategy (Medium-Term Fiscal Framework-MTFS).
- Top-down (annual) budgeting process in the framework of the Medium-Term Fiscal Strategy.
- Integration of the General government into a comprehensive fiscal framework and corresponding extension of the scope of monitoring and conduct of policy by the Ministry of Finance.
- Binding expenditure ceilings per central administration entity.
- Expenditure Commitment Register which placed the procedures for undertaking financial obligations by individual entities under the control and immediate updating of the Ministry of Finance.
- Corrective mechanisms to address cases of deviation from the fiscal targets.
- Specific dates for the various stages of publication of fiscal reports, in line with the European timeframe ('European Semester').
- Leading role of the General Accounting Office in the preparation of the budget and monitoring of its execution, formulation of specifications and collection of financial information and data on General government entities.
- Creation of mechanism within the Ministry of Finance for ex-post control on public expenditure, in return for the abolished ex-ante control.

## *2. Strengthening the jurisdiction of financial services of ministries (and institutions)*

- Establishment of a network (Directorates General) of Financial Services under the supervision of the General Accounting Office, in order to develop the financial management capabilities of individual ministries (budget formulation, execution, control and auditing, submission of relevant reports, ex-ante control of expenditures).
- Assignment of economic oversight of relevant entities to the supervising ministry where they belong (reversal of functional decentralisation trend).

## *3. Fiscal transparency*

- Public sector accounting reform. Based on European regulations, a common way of representing economic data for all General government entities needs to be established.
- Institutional guarantees:
  - o Hellenic Statistical Authority (ELSTAT) independence (reliability of financial data).
  - o Parliamentary Budget Office (enhanced role of the Parliament).
  - o Hellenic Fiscal Council (based on EC legislation on the assessment of the macroeconomic projections of the Medium-Term Fiscal Strategy (MTFS) and the state budget and on monitoring compliance with fiscal rules).

Table 1 summarizes the relevant basic legislation. Graphs 2, 3 and 4 illustrate the changes in the fiscal structure, the fiscal supervision network and the budget execution process.

Table 1

**Basic Legislation (Fiscal Management)**

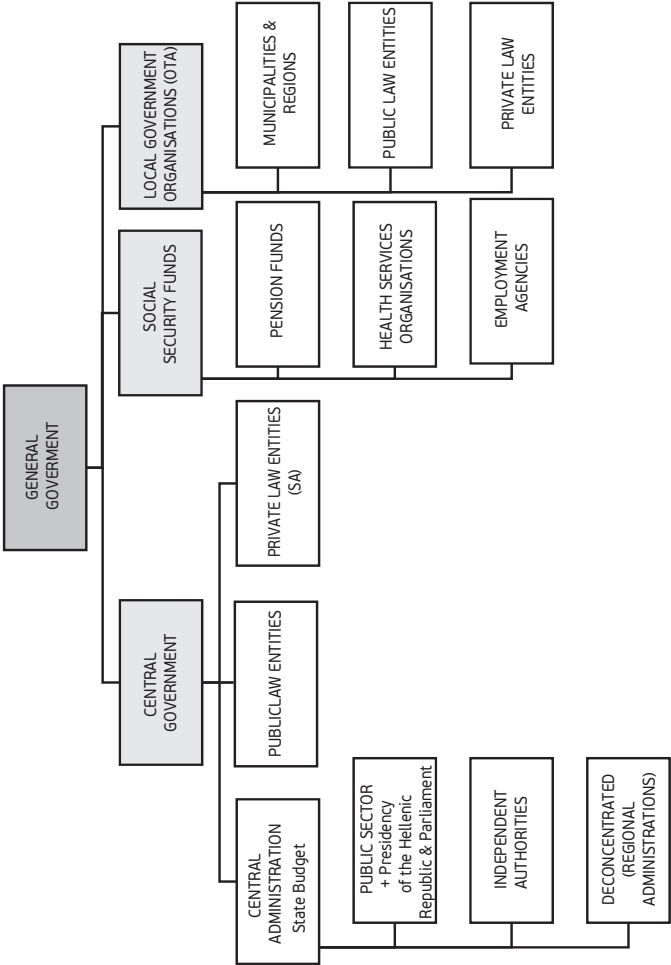
|                  |   |
|------------------|---|
| Law<br>3871/2010 | Fiscal Management and Responsibility  |
| Law<br>4270/2013 | Principles of fiscal management and supervision (Directive 2011/85/EU (L 306/45) 'on requirements for budgetary frameworks of the Member-States')   |
| Law<br>4337/2015 | Abolition of ex-ante control of expenditures by the Ministry of Finance, delegation of power to the General Directorates of Financial Services and provision for ex-post control mechanism, Accounting reform |

*Assessment*

Fiscal reform is deemed institutionally successful, while it is characterised by continuity and consistency. Its directions had already been put in place prior to the crisis and the adjustment programmes. Its implementation, however, was accelerated due to the circumstances that bent yearlong resistances of the traditional political and administrative operation. The technical assistance that accompanied the programmes promoted the introduction of a cohesive and strict framework of policies, mechanisms, procedures and sanctions into a highly crucial and problematic sector of the Greek political and administrative system, while imposing discipline on its fiscal behaviour. At the same time, it enhanced the credibility of the public finance system which—though hesitantly—finally accepted the presence of independent monitoring authorities.

The most impressive aspect, nevertheless, rests in the fact that this has been one of the few reforms with consistent and continuous guidelines, although it unfolded gradually, it going beyond the term of individual ministers and governments. The priority of regaining control over public finance, as a result of the Memoranda and the country's obligations vis-à-vis its partners

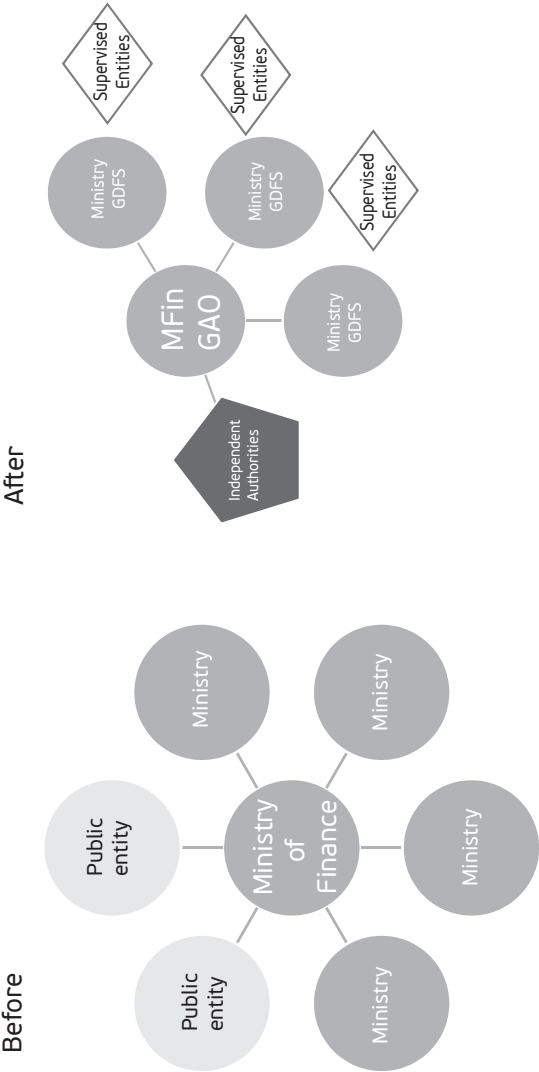
Graph 2  
New Fiscal Structure



Source: Graph created by C. Spanou.



Graph 3  
Fiscal Supervision Network



Source: Graph created by C. Spanou.



and creditors, was an essential factor. This was further supported by the European legislation which introduces rigorous budgeting supervision.

The role of the ministries' General Directorates of Financial Services, as provided for in this reform, is both innovative and unprecedented in the Greek administration. They play a custodian role in relation to the expenditure ceilings and relevant commitments, as well as to sound fiscal management. The most crucial aspect of this role lies in the fact that it tends to transform senior officials into a sort of counterweight to political leadership and its possible disposition not to adhere to a strict fiscal framework. Such responsibility potentially shifts the balance of power between administration and politics in favour of the former.

In any case, the foundations for rationalisation have been laid under the pressure of the Memoranda, while the institutional deficiencies of fiscal management have been addressed. The requirement for fiscal management to meet the standards of EU procedures may contribute to its sustainability.

This reform promotes and requires a shift of mentality at the level of both political leadership and administrative officials. The former must first conform to a restrictive, controlled and coherent three-year fiscal management framework, and then to set responsible priorities with limited resources. The positive scenario requires that clientelist-corporatist pressures are tackled and political priorities are rationalised. But this is not the only scenario. The restrictive framework intensifies clientelist-corporatist competition for resources. In fact, as soon as the framework appears to become less stringent, it is possible that behaviours of selective reversals—outside the control zone set up by the fiscal institutions—and attempts to undermine the new fiscal framework from the inside will emerge.

It remains to be seen whether the fiscal management system will be functional. More specifically, the new constraints and

commitments that addressed the problems of the past must be tested in terms of functionality of the processes put in place. Indications have already appeared of problems originating from bureaucratic complications and delays that need to be tackled immediately.



**DATA**

The lack of sufficient and reliable data and the consequent inadequate preparation of public policies have been typical characteristics of the Greek political and administrative system. The Greek state had not prioritised the collection and processing of reliable data, as a result of the way decisions are usually made: fragmentary, with no interest in ensuring continuity and the proper conditions for their implementation and success.

The yearlong controversies over the number of public sector employees, coupled with the vague picture of the number and operations of public sector entities and their liabilities, the incomplete and fragmented picture of benefits and allowances beneficiaries, the lack of a single register of businesses, employees, public property, immovable property, and so on, show that the lack of systematic collection, processing and utilisation of reliable data permeates all public policies. This situation has not been improved by the use of modern technologies—even when electronic databases existed, they were not connected with each other (interoperability), thus complicating the coordination of administrative services and citizens' contact with them.

Although this is an issue that practically affects all policy sectors, two sectors are indicatively mentioned in this report, namely the Human Resources Register and the effort to accelerate the completion of the Cadastre.

## **2.1 Public Sector Human Resources Register**

The Human Resources Register and the establishment of the Single Payment Authority (EAP) are initiatives that began before the first Memorandum but their implementation was included as a structural reform for administrative modernisation. It was directly associated with the fiscal priorities and, more specifically, with the exact estimation and compression of the public sector wage bill.

The creation of the Public Sector Human Resources Register required the collection and verification of information on total human resources per public entity, employment status, and so forth; it also required the technological infrastructure to support the necessary applications for the constant updating of the database, so as to make it a source of information-based policy formulation. Given the unorganised structure of public employment, this effort has been both crucial and complex. The scope of the census progressively became more specific and was repeatedly readjusted in order to include all General government entities. The obstacles and resistances in the wider public sector have been remarkable, judging from the series of legislative measures that provided for sanctions against those entities that failed to comply with the obligation to take inventory of their employees or to become part of the payment system of the Single Payment Authority.

Individual departments are required to constantly update the Register as to their workforce. At the same time, the Ministry of Administrative Reform (currently Ministry of Administrative Reconstruction) is responsible for monitoring the Register of Services and Agencies of the Greek Public Administration, for publishing the annual updates online and updating ELSTAT accordingly (Register of General Government Entities). Concerns regarding a possible circumvention of the Register's updating process have led to the introduction of penal and disciplinary sanctions in case of non-compliance of the competent officials,

Table 2

**Evolution of Employment in the Public Sector (2009–2017)**

| Ministries,<br>Independent<br>authorities,<br>Legal entities of<br>public law, Local<br>government<br>organisations | 2009        | 2010        | 2011        | 2012        | 2013        | 2014        | 2015        | 2016        | 2017        |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Permanent<br>employees  | 692.907     | 667.374     | 646.657     | 629.114     | 599.207     | 576.856     | 566.913     | 565.671     | 566.861     |
| Temporary<br>employees (1)  |             |             |             | 56.005      | 58.756      | 62.580      | 65.547      | 71.042      | 78.297      |
| <b>Legal entities of<br/>private law</b>  | <b>2009</b> | <b>2010</b> | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |
| Permanent<br>employees  |             |             |             |             |             |             | 33.571      | 33.199      | 36.047      |
| Temporary<br>employees (2)  |             |             |             |             |             |             | 10.772      | 11.443      | 12.869      |

Source: Data obtained from the Human Resources Register: [www.apografi.gov.gr](http://www.apografi.gov.gr).



while sample audits are carried out by the Inspectors-Controllers Body for Public Administration (ICBPA). Quantitative data on the evolution of the public workforce are published regularly, although their qualitative analysis (age, gender, level of education, etc.) was published by the Ministry of Administrative Reform in March 2016 and covers the period between 2012 and 2015.

Table 2 also shows the gradual integration of various categories of employees and institutions into the census. In particular, temporary employees (1) comprise revocable employees, fixed-term contracts, project contracts and hourly-paid employees. Temporary employees of Private Law Entities (2) comprise fixed-term contracts, project contracts and hourly-paid employees.

The Single Payment Authority was established at the Directorate level of the General Accounting Office (Finance Ministry), directly under the Secretary General for Fiscal Policy and in direct liaison with the Human Resources Register that resulted from the census. One of its primary objectives was to facilitate fiscal planning of respective income policies and to ensure transparency and accountability in the management of the government wage bill. The establishment of the Single Payment Authority was integrated into the structural conditionality of the first Memorandum and was supposed to have been operational as of December 2010, but the public entities and their employees were progressively incorporated. According to the budget proposal of 2018 (Introductory Report), the share of entities integrated into the Single Payment Authority exceeds 98%, while another 1.5% of them are in the process of complying.

### *Assessment*

The introduction of the Human Resources Register and the Register of Services and Agencies of the Greek Public Administration represent important policy tools, since they have allowed an

overview of specific qualitative and quantitative characteristics of employees. Moreover, they have enabled the registration of the agencies where the latter are employed and the introduction of increased requirements for publicity that enhanced the ability to monitor the—often uncontrolled—ways of recruitment under various employment regimes. In any case, the Memoranda imposed the monthly monitoring of recruitments and exits-retirements.

Given the initial (pre-crisis) state of the Greek administration and public sector, we can easily perceive the complexity of the effort that entails numerous categorisations, computer applications, administrative procedures and certifications, legal tools, training and collaboration of employees and institutions.

The census revealed the existence of inactive organisations which should have been abolished, as well as entities which had been able to survive due to the incapacity of the state to have a clear picture of its component organisations, especially in the wider public sector (legal entities of private law). On the other hand, the census was associated with the broader concern that the aforementioned entities were in danger of abolishment—in line with the relevant laws which had been introduced in between.

Despite the difficulties and delays in completing the Register of Services and Agencies of the Greek Public Administration and integrating them into the Single Payment Authority, the foundations were laid for the development of crucial tools for managing human resources and related costs. The previously missing link between public employment and fiscal policies was established, along with the conditions for better management of the public workforce and wage bill.

In addition, its qualitative aspects offer further possibilities. Additional tools can be built upon the Human Resources Register and the corresponding electronic database of employees' qualitative and quantitative characteristics, towards creating a single system for the management of human resources. Existing

examples in this direction are the digital organigramme aimed at providing a real-time overview of the structure of administration and the individual public entities of the General government, of the allocation of employment positions among them and the prerequisites for recruitment in these positions. In fact, the application of the new system of mobility and—more recently—the electronic performance assessment process, were based on this structure. The completion of the database and the digital organigramme is an obligation for the post-Memoranda period too.

In conclusion, the Human Resources Register has been a significant turning point in the rationalisation of administrative policies. In order for the Register to contribute to a qualitative leap in the future, the following prerequisites need to be fulfilled: a) prevention of the reproduction of unregulated recruitment practices, b) consistent compliance with and updating of the Register, so as to prevent a repetition of the former situation of inexistent transparency at the level of human resources and wages management, and c) substantial utilisation of the Register as a basis for conducting cohesive and evidence-based policy in these two sectors.

## **2.2. The Hellenic Cadastre**

The onset of the crisis in Greece directly highlighted the chronic problem of the lack of reliable data on both public and private property, in terms of the pursuit of two basic goals set from the very beginning: firstly, the need to reduce public debt through privatisations and exploitation of public property and, secondly, the need to reduce budget deficit through the potential increase in public revenue from the taxation of private immovable property. But the level of completion of the Cadastre did not allow its full utilisation so as to clarify the status of the public real estate assets, on the one hand, and to link the Cadastre to the property database for fiscal purposes by the Ministry of Finance, on the

Table 3  
Organisational Interventions in the Cadastre

| 2010-2013   | 2013-2018   | 2018-2020   | > 2020   |
|---|---|---|--|
| Hellenic Mapping and<br>Cadastre Organisation<br>(Legal entity of public law)<br>Ktimatologio SA<br>(Ministry of Environment) | National Cadastre and<br>Mapping Agency SA<br>(Ministry of Environment) | Hellenic Cadastre<br>(Legal entity of public law)<br>(Ministry of Environment)  | Hellenic Cadastre<br>(Legal entity of public law)<br>(Ministry of Environment) |
| Interim Cadastral Offices<br>Mortgage Offices<br>(Ministry of Justice)  | Interim Cadastral Offices<br>Mortgage Offices<br>(Ministry of Justice)  | Gradual abolition and merging<br>of Interim Cadastral Offices<br>and Mortgage Offices<br>(within 24 months from the<br>adoption of Law 4512/2018) | 17 Cadastral Offices<br>77 Branches  |

Source: Processing of data by E. Balla.

other hand. Thus, the completion of the Cadastre, along with the completion of Forest Maps and delineation of coastal zones for the whole of the Greek territory, were included in the long-term structural reforms to improve the business environment and to increase the country's competitiveness.

Three main periods can be distinguished in the reform of the Cadastre, each of which is associated with a critical political event, namely elections, which in turn affected—to a certain extent—the content, intensity and political orientation of the specific objectives for the completion of the reform, as defined early on. These objectives included:

- Revision of the organisational structure of the land administration system coupled with the creation of a new single central organisation equipped with adequate financial capacity and human resources.
- Acceleration of cadastral survey accompanied with simplification of tendering procedures.
- Transition from the Registration and Mortgages System to the System of Operative Cadastre with local permanent Cadastral Offices under the supervision of the Ministry of Environment.
- Delimitation of the role that individual professionals hold in the context of this system (notaries, lawyers, surveyors).
- Introduction of basic registers for land plots, addresses, buildings, and so on.
- Establishment of a one-stop shop for the optimal service of citizens and improvement of the quality of cadastral data.
- Utilisation of existing information in the Mortgage Offices.

Overall, as far as the development of the Cadastre is concerned, the eight-year period since the onset of the crisis has been dense with institutional and organisational initiatives and changes (Ta-

ble 4), while the impact of budgetary constraints and government instability on various aspects of this process has been noteworthy. At the same time, numerous ambitious targets were set, coupled with strict deadlines but not necessarily taking into account either the scope, costs and consequences of this effort, or the organisational and managerial capabilities of the administrative structures that were faced with the challenge to implement them.

### *Assessment*

At first sight, the results can be characterised as poor in absolute terms. The cadastral survey was completed for 6% of the total Greek territory (17% of total property rights at the onset of the crisis in 2009, whereas this rate had only increased to 7.8% by early 2018 (28.7% of total property rights, the cadastral survey of 84.6% of the Greek territory is currently underway (62.2% of property rights, while the collection of data concerning ownership declarations is expected to begin in autumn 2018 for the most part. On the other hand, cadastral survey has not yet started for 7.6% of the Greek territory (9.1% of property rights).

As far as Forest Maps are concerned, the progress made so far appears to be huge in terms of absolute numbers, considering that the rate of ratified Forest Maps in 2009 was minimal compared to the 32.2% which had been achieved by June 2018. Significant progress has also been made with regard to the coastal zones: their delineation was fragmented and accounted for a mere 8% of total coastline in 2014, while by the end of 2018 it is expected to be complete for the whole of the Greek territory, after successive legislative interventions and changes in the previous legislative framework, based on the digital orthophotomaps produced by the Hellenic Cadastre SA in 2008 in the context of the 3<sup>rd</sup> Community Support Framework (CSF).

Numerical progress has also been made in terms of the interim period of operation of the Cadastre: in 2009, 95 Cadastral Offices were in operation in Greece, while 117 Interim Cadastral Offices are in operation today.

At the organisational level, the changes of the previous period are equally impressive: in 2013, the Hellenic Mapping and Cadastral Organisation (HEMCO, legal entity of public law), which had been established in 1986 for the development and operation of the National Cadastre, was abolished with a partial transfer of its responsibilities to its—until then—operational branch, the KTIMATOLOGIO SA, followed by the establishment of a new single central organisation, the National Cadastre and Mapping Agency SA. Furthermore, another legal entity of public law was introduced in 2018, that is, the Hellenic Cadastre, supervised by the Minister of Environment and Energy, succeeding and replacing the National Cadastre and Mapping Agency SA.

Upon the establishment of this new public institution, the supervision and operation of the Registration and Mortgages System is transferred from the Ministry of Justice to the Ministry of Environment, while its abolishment almost two centuries after its introduction is more clearly defined (Law 4512/2018). In particular, Law 4512/2018 provides for the abolition of 392 Mortgage Offices by January 2020 and for their replacement by 17 Cadastral Offices and 77 Branch Offices. However, the complete abolition of the System of Registrations and Mortgages will take place upon completion of the cadastral mapping across the country, namely until 30 June 2021. By that date, the System of Cadastre is expected to operate all over the Greek territory.

Altogether, during this period the fundamental contradiction between intended goals and the means to achieve them became apparent. On the one hand, as early as 2012, the year 2020 was designated as the milestone for the completion of the Cadastre, notwithstanding that this milestone shall be bound to revisions

depending on the progress of the project over time. On the other hand, the budgetary constraints arising from the crisis, as well as specific political choices, result in stifling conditions for achieving this goal.

Furthermore, it is worth mentioning that during this period the Hellenic Cadastre has been in the spotlight from abroad, with two distinct phases of technical assistance: the first phase, in the framework of the European Commission Task Force for Greece (TF-GR) with the participation of foreign experts from EU countries under the coordination of the Netherlands' Cadastre, and the second, with the assistance of the World Bank in agreement with the European Commission. It should also be pointed out that, despite constant changes in the political leadership and administration of the institutions implicated in the development and operation of the Cadastre, its implementation seems to be following—albeit with delays—the guidelines laid down in the Memoranda of Understanding on Specific Economic Policy Conditionality, albeit with certain variations (e.g. nature of the legal entity of the single central organisation).

What remains to be done, however, requires the mobilisation of extremely important forces and resources, both human and financial, as well as tremendous administrative, organisational and operational efforts. Different, competing and maximalist goals and tight deadlines have been set, while the question remains as to the ability of public administration and its human resources to respond to this task.

On the one hand, the goal of completing the Cadastre for the whole of the Greek territory has to be achieved by June 2021, as set out after the last revision of the deadline. On the other hand, another goal has been set, namely the gradual abolition of the 357 Private Mortgage Offices and the 33 Public Mortgage Offices of the country within a mere 24 months after the adoption of Law



4512/2018, with the aim of establishing new regional structures involving 17 Cadastral Offices and 77 Branches.

Lastly, another important aspect is the challenge of transforming the National Cadastre and Mapping Agency SA into the new legal entity of public law, namely the Hellenic Cadastre, with the integration of the personnel of the Public and Private Mortgage Offices and the completion—as soon as possible—of all necessary administrative and organisational adjustments for this major organisational and operational transition.

On the occasion of the Memoranda, the required political consensus was reached and the efforts to develop the Cadastre were intensified. After eight years, however, the challenge of completing the Cadastre remains more necessary, more urgent and more vital than ever before.

## HUMAN RESOURCES



Administrative deficiencies were seen as responsible for the crisis and thus administrative reform was part of the structural reforms from the very beginning. However, the first Memorandum mainly focused on fiscal priorities and placed emphasis on reducing public employment. This direction continued in the second Memorandum, with the addition of some structural provisions. The third Memorandum does not include any more fiscal interventions to reduce public employment but focuses on structural reforms instead.

The focus of the troika (and primarily the IMF) on redundancies stimulated a politically adverse environment for reforms pertaining to human resources—and for reforms in general. Confusion arose in relation to the fiscal and structural character of relevant policies, thus hindering or undermining efforts towards substantial structural rationalisation.

The OECD Review of the Central Administration (2011) highlighted a series of issues related to human resources, which were gradually incorporated into the second Memorandum. The relevant agenda was progressively formulated and further specified in the period 2012–2014. On top of the delays in the specification of the agenda, corresponding delays emerged in relation to the operation of the political system itself and to policy discontinuities in particular. Ministerial changes and electoral developments led to the discontinuity and/or reversal of interventions which had already been completed. As a result, all developments that

Table 4

## Goals and Interventions in Human Resources Management

| 1 <sup>st</sup> and 2 <sup>nd</sup> Memorandum Goals   | Measures  |
|--|---|
| <b>Fiscal priorities:</b> <ul style="list-style-type: none"> <li>– Cuts in the wage bill</li> <li>– Reduction in public sector wages</li> <li>– Reduction of public employment</li> <li>– Reduction of structures (mergers, abolition of organisational units and entities)</li> </ul> | <ul style="list-style-type: none"> <li>– Census of civil servants – Single Payment Authority – Transfer of employees (M1)</li> <li>– Recruitment-retirement ratio 1:5/10 (M1 &amp; M2)</li> <li>– Reduction of wages</li> <li>– Single pay system</li> <li>– Reduction of fixed-term employment contracts</li> <li>– Abolition of vacant positions (M1)</li> <li>– Staffing plans (accompanied by caps)</li> <li>– Identification of redundant civil servants</li> <li>– Labour reserve (M1, temporary lay-offs, mobility (M2)</li> <li>– Transfer of employees (M1 &amp; M2)</li> <li>– Dismissals (M2)</li> </ul> |
| <b>Structural reforms</b> <ul style="list-style-type: none"> <li>– Rationalisation of human resources management</li> </ul>  | <ul style="list-style-type: none"> <li>– Reorganisation of recruitment system (M1)</li> <li>– Fixed mobility system (M2)</li> <li>– Personnel assessment system (M2)</li> <li>– Development of human resources strategy (M2)</li> </ul>   |

|  |  |
|--|--|
| <i>Specialisation:</i>   | <ul style="list-style-type: none"> <li>– Simplification of employee classification system ('Branches')</li> <li>– job descriptions</li> <li>– Selection, role and development of senior officials</li> <li>– Modern system of performance assessment</li> <li>– Improvement of staff training</li> </ul>   |
| <b>3<sup>rd</sup> Memorandum Goals</b>   | <b>Measures</b>  |
| <b>Optimal use of human resources</b> <ul style="list-style-type: none"> <li>– Depoliticisation</li> <li>– Institutional memory</li> <li>– Performance management</li> <li>– Mobility</li> </ul> | <ul style="list-style-type: none"> <li>– Personnel selection procedures (managers)</li> <li>– Planning of needs in human resources</li> <li>– Fiscally neutral reform of the single pay system</li> <li>– Modern system of assessment to guide the results</li> <li>– Modernisation of recruitment processes</li> <li>– Enhanced mobility in order to utilise human resources</li> </ul> |
| <i>Specialisation - Prerequisites (III)</i>  | <ul style="list-style-type: none"> <li>– Single pay system reform</li> <li>– Rationalisation of special pay systems</li> <li>– Selection of top managers</li> <li>– Amendment of Secretaries General regime (executive staff)</li> <li>– New performance assessment framework</li> <li>– New fixed mobility system</li> </ul>  |

Source: Processing of data by C. Spanou.

occurred in the past eight years—regardless of their significance for addressing administrative deficiencies—were considerably delayed and not always proportional to the amount of excessive energy required.

Table 4 summarises the goals of the adjustment programmes in relation to the management of human resources and Graph 5 outlines the (new) HRM system in progress.

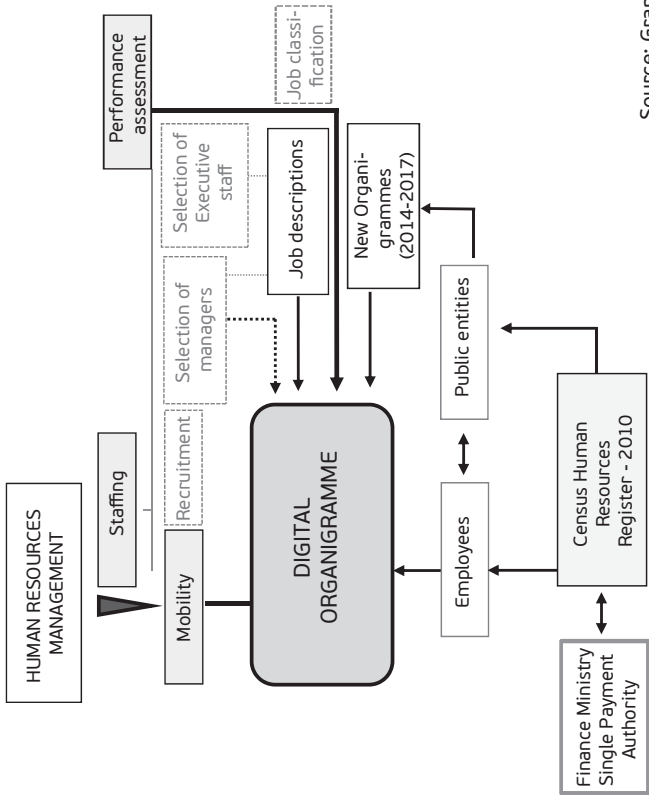
### 3.1 Mobility

The lack of mobility has been a distinct characteristic of the Greek public sector employment system over the past decades. The establishment of an inter-ministerial career path (especially) for top managers has repeatedly been recommended by experts throughout the postwar era. Obstacles to mobility stem from a series of factors which are also to blame for the broader irrational organisation and management of human resources in Greek administration. As a result, there has been an uncontrolled increase in the number of civil servants, coupled with the qualitative and/or quantitative misallocation of the latter.

The following examples are typical of this situation:

- Recruitment processes promoting the association of career with a specific ministry/ entity. Massive award of tenure to temporary employees without prior planning, often in *ad personam* positions.
- Complex and fragmented job classifications ('branches') creating barriers to personnel mobility
- Lack of a broader framework for the comprehensive management and servicing of administrative needs, coupled with the lack of transparency in the transfers and secondments of personnel.
- Employees' individual choices to move to (or to remain in) a position prevail over the actual needs of services.

Graph 5  
Human Resources Management System



Source: Graph created by C. Spanou.

By not integrating mobility unless requested by civil servants themselves, the Greek administration had essentially been deprived of its capability to utilise a significant tool for the flexible management of human resources.

This issue was also highlighted in the OECD review, which proposed the enhancement of mobility by creating a single system of classification of employment positions in the General government and drastically reducing its ‘branches’, the opening up of mobility between the central administration and the other sectors of the General government (regional services, legal entities) with the introduction of appropriate incentives and training programmes, the publication of job openings/vacancies and the organisation of open competitions for every post.

Although the OECD review placed—with good reason—particular emphasis on the issue of mobility and reform of the branches system, subsequent reform efforts were slow to bring this issue into focus. In any case, the Human Resources Register and the establishment of the Single Payment Authority in face of planning the redistribution of human resources can be considered as preparatory actions. For a long time, however, mobility was not treated as an autonomous method for rationalising human resources management but rather as a means of curtailing public employment.

A series of measures were introduced to gradually overturn existing structural and other limitations and accentuated the multiple issues that needed to be addressed. A significant—and innovative for the Greek standards—effort to construct a *fixed* mobility system has been the concept of the ‘employee of the state’ (Law 4024/2011), who does not identify with a specific agency but rather serves in various positions. Nevertheless, its application was faced with a series of institutional barriers that needed to be removed one by one.

The specifications of an integrated system of mobility as an essential tool for managing human resources were ultimately defined in 2014. The elections and change of government that took place in between interrupted this planning and the issue of mobility was once again included in the third adjustment programme of August 2015. There was no longer any pressure for dismissals. On the contrary, the crucial preconditions for mobility were determined (new organisational charts, job descriptions, reorganisation of branches).

With the contribution of the Technical Assistance programme, Law 4440/2016 was designed with the aspiration of introducing an integrated and fixed system of mobility for the optimal allocation of human resources. The Integrated Mobility System introduces elements of rationalisation of human resources management in terms of specific critical dimensions:

- Overturning the relationship between secondments and transfers. Transfers are not the exception any more, but instead the main way of relocating employees so as to meet fixed needs. Conversely, secondments are a means of dealing with temporary and urgent needs.
- Job description and specific qualifications accompany applications to fill vacant positions, so that specific criteria are introduced to match relocation supply and demand.
- Mobility covers the whole spectrum of General government entities and is centrally managed and coordinated by the Central Mobility Committee of the Ministry of Administrative Reconstruction.
- The process is periodically repeated (three times a year) and job openings are made public to candidates.

The service of destination examines applications and decides without the consent of the service of origin (it only needs to attest that 50% of positions relating to the branch where the employee



belongs are covered). Additionally, in order to clarify and finalise—as much as possible—the real picture of staffing of the various administrations, long-term secondments need to be abolished. In this direction, already seconded employees were offered the option to transfer to the entity where they are serving.

### *Assessment*

The introduction of the organised mobility system was belated because the necessary reform was the victim of circumstances, that is, the lay-off policies that were being implemented in parallel. Although it could have been a tool for rationalisation serving as a counterbalance to lay-offs, this effort remained ambiguous.

In recent years, mobility has been set on new foundations, benefiting from parallel rationalisation actions implemented in the framework of the Memorandum reforms. It is worth mentioning, among others, that the digital organigramme—as the central electronic database—captures and provides real-time information on the structure of organisational units, job descriptions and human resources of the General government entities. Other actions of rationalisation included the reform of organisational charts (2014 and 2017–2018) and the introduction of job descriptions. The latter have been completed for the most part at the level of Central government but not for the General government as a whole.

These tools lay the foundations for transparency in both the state and public services themselves and the civil servants. The mandatory and constant publication of vacancies creates the supply that drives demand, while to some extent bypassing the issue of branches.

Despite the considerable rationalisation achieved by the new mobility system, some crucial issues remain. For example:

- Firstly, the issue of fulfilling service requirements. Being purely voluntary, the system of mobility rests on the stake-

holders' initiative. A gap exists, however, in staffing of services and agencies which are not preferred by candidates. Another problem lies in the marginalisation of the services of origin, since they lose control of their own human resources without ensuring that their own needs are covered beforehand.

- Secondly, mobility is not systematically incorporated into employees' career, so as to serve as a tool for the development of human resources, nor is it associated with incentives.
- Lastly, it is important to evaluate its implementation over a long period of time. The following aspects are of particular interest:
  - Whether its arrangements are likely to be gradually complemented with new ones focusing on the priority of service requirements, or
  - shall be formally or informally modified in the opposite direction, with 'exceptional' arrangements reproducing the old-fashioned practices it seeks to eliminate (for instance, continuation or extension of the practice of secondments). The European institutions are closely monitoring the implementation of this reform. Just like on other occasions, they expressed their concern in relation to the continuing practice of secondments.

### **3.2 Job Classification**

The system of 'branches' classifies and categorises public employment positions and the qualifications accompanying them. The association of branches with ministries/agencies and, by extension, with special regimes and privileges, leads to fragmentation and creates obstacles to mobility. The negative consequences of this situation have been repeatedly pointed out since the 1960s. The OECD review placed particular emphasis on this

issue, describing the reorganisation of the ‘branches’ as a structural prerequisite for enhancing mobility. The lack of initiatives towards tackling this issue, however, resulted in its inclusion into the third Memorandum as part of the establishment of a fixed mobility system and the rationalisation of human resources allocation.

Although the rationalisation of the branches system could be considered a top priority, it proved to be a rather complex endeavour. While the third Memorandum has been completed, it is still under development by a working group. Lastly, no development seems to have taken place in the field of ‘inter-ministerial branches’.

The inter-ministerial process of competition for senior management positions (Directors General)—regardless of the ministry or the branch where they belong or even of their basic qualifications—can be regarded as a substitute for mobility. These are *ad hoc* circumventions of the branches obstacle, which may also be the result of corporatist pressures. Therefore, the reform appears to be moving at two different speeds: circumventing the branches through *ad hoc* arrangements for senior officials, while moving at a slower speed towards overcoming obstacles to mobility and postponing this issue until the introduction of job descriptions.

### 3.3 Personnel Appraisal

The Greek experience from personnel assessment has been repeatedly highlighted as of limited value. Besides its limited impact on employees’ career, the main problem lies in the plethora of “excellent” assessments which, in some cases, coexist with the lacking fulfillment of the assessment obligation. Both end up cancelling its usefulness as a tool for managing human resources and creating incentives. Assessment deficiencies are mainly related

to the inaccurate evaluation of employees' skills and efficiency and to the consequent uncertainty regarding its objectivity.

Unlike other aspects of the human resources management system in the public sector, however, the assessment system has been its most enduring element (Presidential Decree 318/1992), which is not unrelated to its pompous evaluations and limited credibility.

The (already known) problems of the employees and services assessment system were also highlighted by the OECD review, which concluded that the requirements for performance management—which serves as a tool for feedback, detection of skill deficiencies and enhancement of incentives—are not met.

The reform of the personnel assessment system has rather faded due to its emphasis on reducing employment and identifying institutions to be abolished or merged. On the contrary, the assessment was linked to staff reductions.

A transitional system of *comparative* assessment was nevertheless employed, which provided for maximum rates per rating scale for employees and managers (2014). This system proved impossible to implement in its entirety because of the broader environment of insecurity resulting from the parallel policies of public employment reduction, thus triggering intense opposition.

A draft law for a new performance assessment system remained in the process of consultation and was not pushed forward due to the 2015 election developments. The relevant requirement was integrated into the third Memorandum and was eventually introduced by Law 4369/2016.

The new system is a combination of existing and new regulations, reinstating the basic elements of Presidential Decree 318/1992. It provides for the avoidance of optimal evaluations but clearly promotes higher than average scores for the majority of employees (75–89 per cent). The innovative elements of the system include: a) plenary sessions of individual departments for

the collective assessment and individual self-assessment of each employee in relation to their targets, b) assessment (anonymous) of managers by their subordinates, which is included in their personal file without, however, specifying its exact use, and c) the introduction of a mechanism to monitor and statistically analyse evaluation scores, in order to avoid extreme ratings and collect data to improve the system.

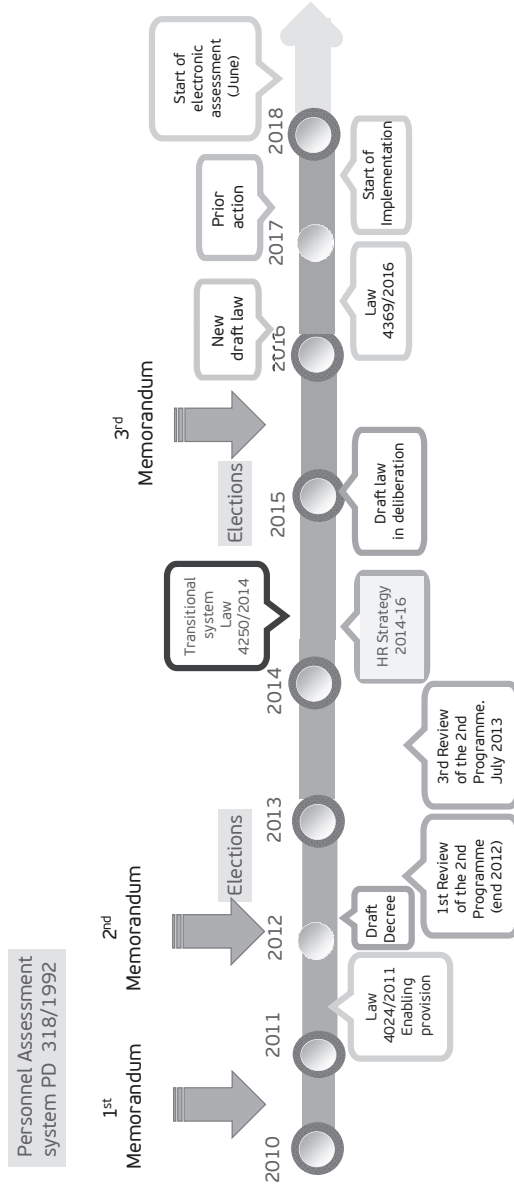
Surprisingly, this system also encountered strong reactions from the Civil Servants' Confederation (ADEDY) and difficulties in its implementation. Among the basic arguments of the ADEDY was the credibility and legitimacy of managers-evaluators who—in most cases—had not been selected in line with normal procedures but were discretionary temporary appointments to these positions.

### *Assessment*

Too much energy has been wasted in recent years on the issue of personnel assessment, although the system that was eventually adopted introduces innovations of minor importance, while retaining the rationale of the former long-lived system. At the same time, however, a *bras-de-fer* between the respective government and unions has been taking place. Eventually, it was implemented in combination with the electronic application (electronic assessment) that modernised the procedure. Graph 6 outlines the time dimension of these changes.

Besides the inherent weaknesses of the system, an additional dimension of major importance has come to light relating to the issue of the role and authority of managers-evaluators, whose status remained temporary for a long time as a secondary consequence of constant changes in the system of manager selection.

Graph 6  
Personnel Assessment 2010–2018



Source: Graph created by C. Spanou.

### 3.4 Career and Selection of Managers

Imbalances in the relationship between administration and politics have been a traditional issue that lies at the heart of the civil service career. A common phenomenon has been the frequent change of rules that regulate access to management positions (Directorates General, Directorates and Departments). The declared goal is party ‘de-politicisation’, by ensuring the objective and meritocratic character and the transparency of senior managers’ selection process. The persistent suspicion of party influences has not yet been tackled.

The crucial secondary effects of repeated changes in the rules governing public servants’ career are the following:

- Development of relationship of dependence on their respective political leadership (indirect form of politicisation).
- Confidence in legal rules and institutions is undermined.
- Increased formalism and standardisation stemming from party competition in relation to this issue.

Formalism has been a standard feature of all systems adopted at times. The assessment of candidates for management positions remains at the level of formal qualifications, which tend to become increasingly demanding (e.g. postgraduate degrees, PhDs). On the contrary, the scope of the effective evaluation of skills and performance is limited and evaluation appears as potentially biased.

The career system (grade system and appointment to management positions) has changed seven times in less than 20 years (1999–2016). The overview reveals that these changes have mainly been of secondary importance (e.g. years of service, previous service in management positions, etc.). Their importance lies in the selective expansion or limitation of the pool of candidates, while this instability has remained throughout the crisis.

Table 5  
Evolution of Directors General Selection Systems 2007–2018

|  | Law 3528/2007  | Law 3839/2010  | Law 4024/2011  | Law 4275/2014  | Law 4369/2016  |
|--|--|--|--|--|--|
| <b>Requirements for General Directors:</b><br>Category<br>Grade<br>Seniority<br>Experience<br>Additional | University education & A+20 (or 18) years of service & Director position | University education & A' & DG position or A & 3 years in Director or Deputy Director position or A+18 years & Director position | University education & A & Director position & 90% of objectives in the past two years (or rank B)           | University or technological education & 1 year in DG position or + 15 years of service & 3 years of service & Director position or 18 years of service and 1 year in Director position | University or technological education & 1 year in DG position or & 3 years in Director position or National Centre for Public Administration and Local Government (EKDDA) graduates, relevant PhD and MA holders, & rank A+8 years of service or A+10 years of service |
| <b>Competition</b>   | Inter-ministerial (DG) (Art. 86 Civil Service Code)                      | Inter-ministerial (DG)   | Inter-ministerial DG, (also for Directors and Heads of Section for Administrative, Economic and IT services) | Inter-ministerial (DG)   | Inter-ministerial (DG)   |
| <b>DG Term of service</b>  | 3 years  | 5 years (for all management levels)  | 5 years  | 5 years  | 3 years  |
| <b>Implementation</b>  |  | Transitional provisions only   | Not implemented  | Transitional provisions only   | Transitional provisions only   |

Source: Processing of data by C. Spanou.



Among its main recommendations, the OECD review included the reform and strengthening of senior public employees, with a view to addressing the problematic relationships with politics and ensuring institutional continuity. Four consecutive laws were adopted between 2010–2018, which were either not implemented at all or implemented only in terms of their transitional provisions. Despite the—then recent—legislation (Law 4275/2014), the issue of manager selection was once again transposed into the third Memorandum along with other pending reforms.

The following table lists some key elements of consecutive systems of the last decade:

In summary:

- Constant changes in requirements for selection in management positions indicate that there is no definite rationale in relation to the senior officials that the administration wishes to appoint. On the contrary, these changes highlight the balance of power between different groups of civil servants.
- Constant changes in the composition of the selection committee reflect the mistrust of the Greek society and politics towards the potential for objectivity, but no definitive answer has yet been found.
- Inter-ministerial competition at the level of recruiting General Directors seems to be an established acquisition, which serves as a limited substitute for mobility in public administration.
- The points system prevails in the selection criteria, with significant variations. It should be noted that the points system does not necessarily foster credible assessment and ranking or meritocracy, but rather transparency.
- It also appears that the interview process (2007 onwards) has gained acceptance, though with mistrust. It is constrained (structured interview) and its significance is limited. Moreover, the processes of written competition (ASEP: 2010, 2014)

and assessment methods based on the achievement of pre-defined objectives have been introduced, although they have not been implemented so far.

An important element that is constantly overlooked concerns the managers' term of office and its duration. The exercise of management duties is not a fixed component of hierarchy in the Greek administrative system. Since the 1980s, the 'mobile' hierarchy has prevailed, on the basis of a three-year term of office followed by the return of the civil servant to his/her previous lower position. This practice is associated with significant disadvantages, including the weakening of administrative hierarchy. Even the extension of the term of office to five years in 2010 was overturned at the first opportunity (2016).

### *Assessment*

Overall, between 2010 and 2018 the administration remained in transitional status. Although four relevant laws were adopted, the administration was operating on the basis of temporary assignments in management positions—even at the level of Directors General—throughout the crisis period, pending the implementation of the respective new system of choice. As a result, the authority of managers was negatively affected.

The added value of consecutive changes is minimal. The answer to the question whether any substantial change has occurred is negative. Upgrading the role of senior public servants and providing the conditions for the latter to respond to this role have not been achieved. From this perspective, only the experiment of the General Directors of Financial Services (GDFS) meets the requirements for enhancing the role of senior managers; it outlines a new—unprecedented for Greek standards—operational profile for managers, notwithstanding the difficulties this may entail. In

this respect, the role of General Directorates of Financial Services is a potentially major reform.

### **3.5 Depoliticisation of Executive Positions**

In the Greek system of administration, the level of General Director is followed by the political level which entails revocable staff (General and Special Secretaries), who are appointed at the discretion of respective governments. According to the OECD recommendations, the influence of political officials had to be curtailed, through the reduction of their number and specification of their tasks. The main objective was to address the major issue of institutional continuity in public administration.

The issue of depoliticisation of leadership in specific sectors was initially raised in relation to the services whose credibility and efficiency were affected by political interventions (e.g. Statistical Service-ELSTAT, General Secretariat of Public Revenue which was succeeded by the Independent Authority for Public Revenue, etc.). The third Memorandum expanded this issue into politically appointed General Secretaries and heads of public organisations ('executive staff'). Although government discretion in selecting executive staff is acceptable in numerous administrative systems, this option was considered problematic in Greece. The emphasis was placed on changing the status of these employees (i.e. introduction of a term of office instead of revocability) and at the same time delimiting the government's discretion in selecting these executives through a process of qualifications assessment.

The new system of selection of executive staff (Law 4369/2016 and its amendments) converts the former General and Special Secretaries into executive staff with four-year term of office for Administrative and Sectoral Secretaries (and their deputies) and for heads of public entities. Delimitation of the discretion of

political leadership is attempted by means of two basic mechanisms. Firstly, the *National Register of Executive Staff*, which is electronically compiled by the Supreme Council for Civil Personnel Selection (ASEP) and serves as a pool of candidates (mainly from the public but also from the private sector). Secondly, the process of public announcement of vacancies followed by candidates' assessment by a special body, the *Special Board for the Selection of Executive Staff* (with the participation of three members of ASEP). The Board proposes three finalist candidates, one of which is chosen by the respective minister at his/her discretion.

The initial goal was to complete the process of appointment for all executive positions within 2016, but the process eventually began in 2018. Unjustified variations in the requirements defined in public announcements were observed in the meantime. The European institutions were concerned with this issue and—following an evaluation of the process—the minimum requirements for public announcements were defined. Based on this criterion, the public announcement was repeated for the recruitment of 22 administrative secretaries. The implementation of this reform is closely monitored by the European institutions. In addition, a new evaluation of this process will take place in collaboration with the Technical Assistance, with a view to a possible amendment of the relevant legislation.

### *Assessment*

Reform of the status of executive staff can be evaluated in relation to the specified objectives: (a) depoliticisation and recruitment on the basis of meritocracy, and (b) delimitation of the role of administration and politics and strengthening institutional memory.

(a) In its current form, the process (Register, public announcements, process of assessment and recruitment among the three

finalists) has several gaps which directly or indirectly extend political discretion. Registration of candidates in the Register emerges as a simple formal requirement.

On the other hand, the new system potentially rationalises and standardises—to a certain extent—a process which had so far been in the absolute discretion of politics. In any case, the results are limited compared to the substantial investment required for the creation and maintenance of the Register, since the same goal could have been accomplished simply by defining the minimum qualifications.

(b) The conception of the regime of Administrative and Sectoral Secretaries with specific term of office entails a critical ambiguity. A basic question that arises concerns their relationship with the senior managers, namely the Directors General whose role had to be upgraded. If the new Administrative and Sectoral Secretaries assume the political role of the former General Secretaries, the whole reform is limited to the provision of the term of office.

The four-year term of office is intended to guarantee that executive staff is able to perform its duties unobstructed, in line with its professional qualifications. It does not guarantee, however, that depoliticisation is achieved and, to a greater extent, it does not address the crucial issue of institutional continuity and memory. After all, the latter do not only depend on the status of executive staff, but rather on functional conditions which are not established by this reform. Lastly, the specific reform raises—more than other reforms—the question of its compatibility with the Greek political culture, as it entails the risk of a high level of formalism without substantial effect.

## ADMINISTRATIVE STRUCTURES



### 4.1 Reorganisation of the Central Administration

The reform of administrative structures in the period 2010–2018 was primarily associated with budgetary constraints and external demands to reduce the size and cost of the public sector. The measures adopted have largely attempted to address problems which had already been identified, focusing on the issues of public administration size, organisation, operation and performance. Besides cost reduction, a crucial goal has been the rationalisation of administrative organisation and the strengthening of coordination. In the present section, the reorganisation of the central government structures and the abolition and/or merging of public institutions are more specifically being considered.

Table 6 summarises the main goals of administrative reform programmes and the key measures adopted to achieve them.

Table 6

**Goals of the Programmes and Institutional-Administrative Adjustments**

| Goals  | Measures-administrative adjustments  |
|--|--|
| Public sector downsizing   | Reduction of structures-organisational units<br>Abolition / merging of public entities |
| Rationalisation of the organisation and operation of administrative structures | New organisation charts of ministries (2014/2017)<br>Internal restructuring of units   |
| Enhancement of coordination and support for policies                           | Strengthening government coordination structures and central government services       |

Source: Processing of data by M. Lampropoulou.

Two distinct cycles can be distinguished in the process of central administration restructuring, which led to the establishment of new organigrammes in ministries (in 2014 and 2017-2018). This process adhered to a clear methodology and implementation stages—especially in its initial phase—as outlined in Graph 7.

In the context of the reorganisation process, the existing central administration organisational units and public agencies were evaluated and restructured, resulting in significant qualitative and quantitative changes. More specifically, there was a significant tendency regarding the ministerial services (administrative, HR, financial and e-governance) and strengthening of the structures with financial responsibilities (General Directorates of Financial Services).

At the same time, existing units were strengthened (Better Regulation Office) and new structures were established for the coordination at the highest political level (Government Council for Public Administration Reform) and at the center of government (General Secretariat of Coordination, Office of Scientific and Secretarial Support to Collective Government Bodies).

Moreover, there is an apparent increased tendency to delegate responsibilities from central ministries to independent agencies, often resulting from external demands for more effective management and monitoring of policies in the fields associated with fiscal functions (e.g. Independent Authority for Public Revenue, ELSTAT, Hellenic Single Public Procurement Authority, etc.). Lastly, an upgrading and strengthening of the role of the Ministry of Finance vis-à-vis the other ministries was also observed.

### *Assessment*

During the crisis and contrary to reform efforts of the past, the intensity of the measures was higher and the necessary adjustments were carried out on a larger scale and within a shorter timeframe.

Graph 7  
Progress of the Reorganisation



Source: Graph created by M. Lampropoulou.



Unlike the previous practice of *ad hoc* changes, this process of administrative restructuring was carried out in a coordinated manner across all ministries and it was linked to the human resources policy, through parallel actions like the elaboration of job descriptions and digital organigrammes and the mobility of civil servants.

The quantitative impact of the measures is differentiated during the programmes of economic adjustment. On the level of government, the number of ministries ranges between 10 and 18, with no specific increasing or decreasing tendency (Graph 8).

Central government organisational units decreased significantly during the first cycle of restructuring, by more than 20%. On the contrary, organisational units increased significantly during the second cycle, by more than 10% (Graphs 8 & 9).

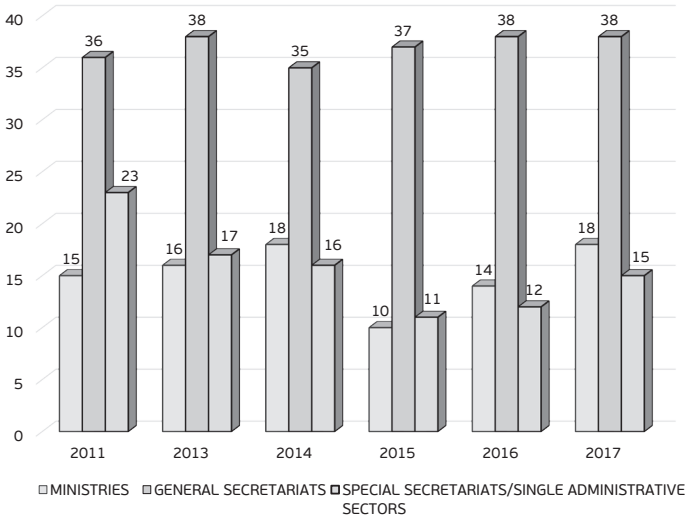
As far as the reduction of public entities and bodies are concerned, the measures that were implemented were mainly related to mergers or/and transfer of responsibilities, rather than to their complete abolition. Their implementation appears more intense at the beginning of the adjustment period and seems to have gradually faded, whereas their overall quantitative impact has not been assessed.

After all, we should bear in mind that during the period under consideration several new entities were established, thus reversing the quantitative impact of the initial measures.

The impact of administrative reorganisation needs to be assessed in relation to different contextual factors. An adverse economic environment coupled with the association of measures with the process of fiscal adjustment served as an impediment to policy implementation and acceptance. Equally detrimental was their association with dismissals and temporary lay-offs (labour reserve, availability-mobility scheme). At the political level, the process of reorganisation was influenced by government alternations that resulted in discontinuities and deviations. Finally,

Graph 8

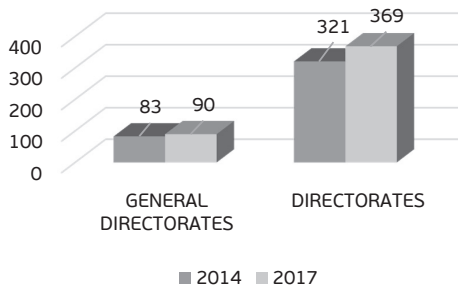
### Evolution of the Number of Ministries and General/ Special Secretariats, 2011-2017



Source: Processing of data obtained from the Human Resources Register and organisational charts, by M. Lampropoulou.

Graph 9

### Evolution of the Number of Organic Units of Ministries, 2014-2017



Source: Processing of data obtained from the Human Resources Register and organization charts, by M. Lampropoulou.

the introduction of the measures was not preceded by safeguarding the readiness and capacity of the administrative apparatus to support their implementation, as well as to absorb the necessary changes and adapt to the new operational requirements.

## **4.2 Administrative Structures for Privatisation Policy**

Privatisation has been a major issue in the recent restructuring of the public sector. The administration has had to adapt to the (new) policy requirements imposed by the adjustment programmes (management of public property and mechanisms for the implementation of privatisation/ asset development programmes). During the period 2010–2018, the administrative organisation and operation regarding these processes were rearranged. The impact of Memoranda requirements on administrative machinery are visible in both the internal organisation of the Ministry of Finance and the framework of the (new) structures and agencies responsible for the conduct of policy beyond Central government.

The main weaknesses that the adjustment programmes attempted to address were related to long-standing problems of the public sector and of public property management, such as the inefficient operation of public enterprises and entities (DEKO), distortions in the operation of liberalised markets (network industries) and ineffective management of state assets. These were related to administrative deficiencies and—more specifically—to the inefficient supervision of DEKO by the relevant ministries and the Ministry of Finance, the inadequate policy instruments for market regulation and the absence of structures for the coordination and uniform management of public property. A basic requirement of all three adjustment programmes was the establishment of an independent body ('Fund') for the integrated management of public property and the implementation of the privatisation programme.

Noteworthy changes occurred in the internal structure of the Ministry of Finance in the first place. They include: a) the abolition of several administrative units (Special Secretariat for Asset Restructuring and Privatisation–2012, Special Secretariat for Public Enterprises and Entities–2012, Directorate of Public Enterprises and Entities–2014) and, b) the establishment of an independent authority under the direct supervision of the General Secretariat for Economic Policy, namely the Unit of Privatisation, Mobile Securities Management and Operational Planning (2014). This Unit now serves as a crucial point of reference for the central administration in relation to privatisation and asset development policies.

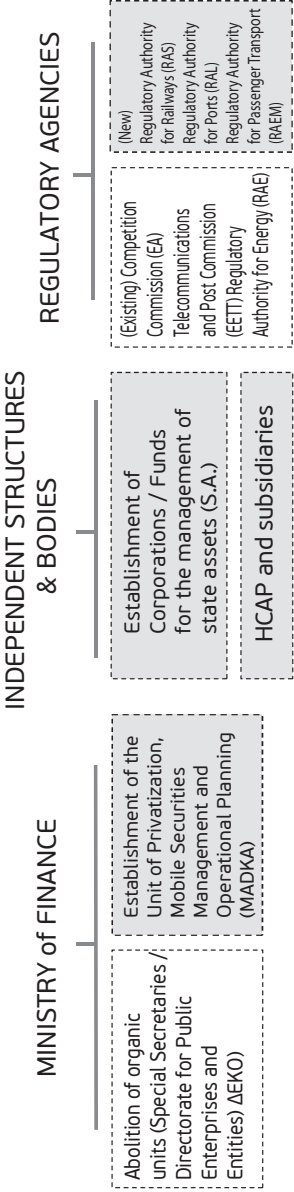
At the same time—and primarily as a result of external pressures—a tendency was observed to transfer powers from the central administration to state agencies, which are not subject to political control and are characterised by increased independence vis-à-vis the political-administrative system. This option has been substantiated by the precarious capacity or/and preparedness of existing structures to effectively, reliably and transparently support the policies pursued, leading to the introduction of two new institutions: the Hellenic Republic Asset Development Fund (HRADF SA, 2011), with the mission to implement the privatisation programme, and the Hellenic Corporation of Assets and Participations (HCAP SA, 2016), which is responsible for the overall management and development of public property with the aim of boosting investments and reducing the country's financial obligations. The Hellenic Corporation of Assets and Participations incorporated as its subsidiaries the Hellenic Republic Asset Development Fund, the Public Properties Company SA, the Hellenic Financial Stability Fund and most of the public enterprises and entities (DEKO), and now serves as the single structure for the management of public assets.

A critical point in differentiating these institutions from the traditional bureaucratic structures rests in their special legal form (SA). They are not part of the public sector and operate according to technocratic/corporate administrative criteria, at arm's length from the political system. Furthermore, we ought to highlight the participation of EU institutions in the process of selection of their management and monitoring of their operation (EC, ESM). As demonstrated in Graph 10, the establishment of the Hellenic Corporation of Assets and Participations and other independent structures for the management of public property led to the introduction of an extremely complex scheme, with increased requirements in relation to the coordination of individual institutions and levels. As a result, the establishment of a special Coordination Mechanism was deemed necessary. This new scheme regulates the framework of cooperation between the Hellenic Corporation of Assets and Participations and the political system, public administrations and DEKO.

In addition to the establishment of new agencies for the management of public property, a strengthening of existing regulatory authorities was noted during the economic adjustment programmes (Hellenic Telecommunications and Post Commission–EETT, Regulatory Authority for Energy–RAE, Hellenic Competition Commission–EA). At the same time, new authorities were established for the regulation of the liberalised markets (Regulatory Authority for Railways [RAS]–2010, Regulatory Authority for Ports [RAL]–2013, Regulatory Authority for Passenger Transport [RAEM]–2013). These agencies assumed the responsibilities formerly held by the relevant sectoral ministries. Graph 11 shows the main adjustments of administrative structures, both within and outside the central administration.



Graph 11  
Key Adjustments of Public Property and Structures for the Management of Privatisations



Source: Graph created by M. Lampropoulou.

*Assessment*

So far, the experience from the operation of the new structures shows that the adjustments have fostered—to some extent—flexibility, (technical) effectiveness and transparency in the management and implementation of policies, although they have been accompanied by a number of problems as well. Most importantly, the establishment of quasi-independent agencies and bodies resulted in a complex scheme of coordination between the central structures (Ministry of Finance), sectoral ministries, intermediate management structures (Hellenic Corporation of Assets and Participations and its subsidiaries), regulatory authorities and public enterprises and entities, thus intensifying the—already high—fragmentation of the structures and responsibilities of the public administration. From this perspective, it is interesting that—although during the crisis the size of the public sector and the direct intervention of the state were limited as a result of the initiated policies (privatisation, divestment, denationalisation, market liberalisation)—the administrative apparatus and procedural requirements for policy implementation and coordination have been extended and increased (market regulation, asset management).





## ADMINISTRATION AND POLICY MAKING



### 5.1 Administrative Reforms and Spatial Planning

The administrative dimension of the changes brought about in the field of spatial policies (urban, macro-spatial, environmental policy) during the period 2010–2018 is of major importance. The problems that existed in specific sectors of spatial policies and the choices made to tackle these problems are outlined below.

1. The field of strategic investments gained particular importance in the framework of urgent budgetary needs. The main problems of this field were: a) the existence of large public real estate which had not been utilised as an investment resource by the state, and b) the great difficulties in attracting large investments in Greece as a result of inefficient spatial licensing procedures.

An extraordinary legislation for the acceleration of large (‘strategic’) investments was introduced prior to the first Memorandum (Law 3775/2009) and was amended by Law 3894/2010 (the so-called fast-track process), followed by further amendments in the next two years (especially in the context of the third Memorandum). At first it included arrangements to facilitate the exploitation of public real estate (in close connection with the privatisation policy), by removing barriers stemming from spatial policies and providing a way to alter the statutory land uses which hindered the exploitation of large public real estate. In this respect, new bodies were established, such as the Enterprise Greece organisation, the General Secretariat for Strategic and Private Investments (one-stop shop for private investment

licensing) and the Inter-ministerial Committee for Strategic Investments, as a government body of coordination.

A first assessment of the changes in the system of landed strategic investments, based on available information on its outcomes, is summarised as follows:

Regarding strategic investments of public or private land:

- In monetary terms, the outcome remains insignificant so far, whereas it is expected to increase in the coming years but only marginally. Therefore, the main goal of strategic investments has not been achieved.
- Significant improvements have been made in relation to the time required for spatial and environmental licensing of large investments.
- These outcomes have been achieved by special legislation that ‘bypasses’ the ‘normal’ process (hence called fast-track), on the one hand, and the introduction of specialised bodies to assume the responsibilities stemming from the new legislation which the existing administration could not have undertaken, on the other hand.

2. The institutions responsible for the conduct of spatial policies have been a privileged field and thus were included among the policy goals to downsize the public sector, with the abolition or merging of public entities until the recent gradual reversal of this trend.

The National Centre for Environment and Sustainable Development and the Institute of Geology and Mineral Exploitation were merged into the National Centre for Sustainable Development. In 2015, however, the latter was abolished and the two initial agencies were reestablished. Furthermore, Law 4250/2014 abolished the Regulatory Planning and Environmental Protection Organisations of the wider regions of Athens, Thessaloniki and Ioannina, as well as the Unification of Archaeological Sites and

Urban Renewal SA, whose responsibilities were transferred to other public services.

Numerous conclusions arise from the successive mergers and abolitions and, more recently, from the establishment of new bodies involved in spatial planning:

- Their abolition was not based on individual assessment of each institution but rather on justifications that essentially reflect a generalised attempt to downsize the public sector with no specific criteria. In this context, agencies were abolished which appear to have had an important role (Organisation for the Athens Master Plan and possibly the Unification of Archaeological Sites and Urban Renewal SA) and others with no substantial reason to exist (Organisation for the Master Regulatory Plans of smaller cities), while agencies with very different characteristics were merged, making their unified operation objectively difficult (National Centre for Environment and Sustainable Development, Institute of Geology and Mineral Exploitation).
- According to existing data, no savings or increased efficiency and coordination of public services are evident in the fields of the abolished entities.

More recently, a clearly retreating trend has been noticed, with the establishment of the Athens Renewal SA—with obvious similarities to the previously abolished Unification of Archaeological Sites and Urban Renewal SA—and the reestablishment of the National Centre for Environment and Sustainable Development (an institution with limited activity both prior to and after its merger) and the Institute of Geology and Mineral Exploitation (an institution with important work and apparent utility).

3. The case of the Green Fund is typical of the side effects of the focus of Memoranda on fiscal targets, which did not always lead to justified deregulation. Much of the resources of the Fund

were assigned to the state budget, thus dramatically reducing the allocation of resources to environmental projects and—to a large extent—cancelling its *raison d'être*, especially since the aforementioned reduction includes the resources of the Fund which were gathered with the specific aim of financing environmental projects (e.g. fines for 'settlement' of unauthorised buildings).

4. In the field of spatial planning, an 'Urban Reform' provided for in the Memoranda was targeted at offering more flexibility in the localisation of private investment, simplifying and accelerating macro-spatial (national/regional) and urban (local) planning processes, as well as updating and codifying legislation pertaining to forests, forest land and parks. Other significant problems in this field, however, including overregulation and poor implementation of legislation, coupled with the tolerance of illegal practices in land exploitation and construction, were not addressed.

Law 4269/2014 entitled 'Spatial and Urban Reform–Sustainable Development' was passed with approximately two years of delay (since it was foreseen under the second Memorandum) and amended the basic system of spatial (urban and regional) planning, which had been one of the key problems in this field. The law introduced—among other things—the 'Special Spatial Plans' with a view to facilitate the implementation of private and public investment not eligible in the legislation for strategic investment, reduced the hierarchically interconnected levels of spatial planning from seven to four in order to speed up their approval and the 'reflexes' of the system, and introduced the approval of the main type of urban plans (Local/Special Spatial Plans) by Presidential Decree.

Nevertheless, only one out of the 17 regulatory acts required for the implementation of the law was adopted (concerning the technical specifications of the Special Spatial Plans) and thus their activation was initiated. The implementation of the law

was suspended by the next government, which asked the institutions to amend it in 2015. This amendment was realised by Law 4447/2016. The Special Spatial Plans, previously reviled by the—then minority and now governing—political parties, were eventually endorsed and, according to the first conclusions, they have led to the acceleration of urban planning and localisation of investments. On the other hand, the Local Spatial Plans (Laws 4269/2014 and 4447/2016) have been slow to activate due to the delay of the necessary secondary legislation (2017). Given that the differences between the two laws are only marginal, the preparation of such plans—which stand at the heart of local urban planning—were suspended for some four years without valid reason and with negative consequences.

5. Standard Environmental Commitments and Electronic Register. Law 4014/2011 included the implementation of various requirements stemming from the first Memorandum and introduced significant innovations in the process of Environmental Terms Approval. The latter include the replacement of the submission of an Environmental Report for category B' projects by a simple declaration of compliance with the Standard Environmental Commitments, which is approved by the competent authorities. For each type of project (e.g. industrial, agricultural, port, tourism, etc.), the Standard Environmental Commitments specify a set of standard environmental protection measures to be taken by the project stakeholders.

As a result, the process of environmental permitting has been significantly accelerated, while the number of submitted reports/dossiers/studies has decreased almost tenfold. Specific cases exist, however, where the time needed for the Approval of Environmental Terms has increased for category A2' projects and activities. Delays have also occurred in the adoption of the necessary secondary legislation, whereas a significant innovation of the law has not yet been implemented, namely the electronic platform for

the processing and coordination of projects with the participation of private consultants. The platform provides for the creation of a Register of Private Assessors of Environmental Impact Studies and Private Environmental Assessors of the Electronic Environmental Register.

In summary, the picture is contradictory. The simplification and acceleration of environmental approval is obviously a reform that markedly improves the system, but the failure to activate the Electronic Environmental Register and relevant regulations is a typical example of avoiding the implementation of a potentially major reform.

### *Assessment*

In the field of spatial policies, the targets were mainly of structural nature (in about 2/3 of cases) and thus moved in the direction of reforms, while the remaining (1/3) were fiscal. In some cases (strategic investments and standard environmental commitments), the crisis conditions helped to overcome the technical and—above all—political and ideological contradictions. Apart from political will, the effectiveness of changes was largely influenced by the administration's ability to specify the obligations stemming from the Memoranda and to undertake the relevant responsibilities, which were often briefly worded. A crucial aspect, however, is whether the changes promoted by the Memoranda were appropriate in relation to the actual needs, their prioritisation and feasibility as well as timetables.

Hasty or inadequately documented legislation undermined the subsequent course of specific reforms. Approximately one third of interventions can be considered positive in relation to the internal needs of the Greek society.

## 5.2 Tackling Undeclared Work

The transformation of undeclared into declared work has been under the spotlight of European politics, the European Commission as well as the European Council for decades, while other international organisations like the International Labour Organization have been systematically preoccupied with this issue. Although this issue should have been addressed by domestic initiative since decades ago, it was included in the national political agenda as an obligation vis-à-vis the European Union in the context of the emerging post-1997 European strategy on employment and was accompanied by successive recommendations.

In addition to a series of other measures, a crucial prerequisite was to increase the efficiency of co-responsible services in the field of undeclared work. The necessary reforms have become the subject of studies, European recommendations in successive programmes and funding by CSFs and NSRFs. They were ultimately included in the Memoranda and laid out in great detail, becoming prerequisites for the disbursements of installments and being at the epicentre of extensive technical assistance by the ILO.

Unlike other issues, the need to tackle undeclared work has gained consensus from all stakeholders, especially in recent years. Nevertheless, little progress has been achieved. During the second Memorandum, progress was made primarily in the field of implementing the proposals relating to electronic interconnection (and IT applications) of the Ministry of Labour and the business sector. At the same time, the management information systems of the Ministry of Labour were introduced (ERGANI, ARTEMIS, ATLAS and ILIOS). At the level of audit mechanisms aimed at combating undeclared work, the Division of Financial Police and Electronic Crime Prosecution was established (2011), which also carries out audits on top of those carried out by the Social In-



surance Institute (IKA-ETAM) and the Labour Inspection Body (SEPE). The crucial prerequisite for cooperation between these bodies and the interoperability of the services of Social Security Organisations, Tax Administration, the Public Employment Service and Labour Inspection Body remained pending.

This issue was emphasised in the third Memorandum. However, the material and institutional conditions for an established policy to address the issue of turning undeclared work into regular employment were not materialised. The interoperability of systems remains pending and major delays have been noticed in the roadmap implementation. The required reforms remain as post-Memoranda obligations, since the completion of the technical assistance programme requirements has been extended beyond the formal expiry of the third programme. This experience is indicative of the difficulties stemming from an administrative reform.

## CONCLUSIONS



The overview of reforms in certain areas of public administration shows that a great deal has been achieved during the period 2010–2018, sometimes from a fiscally driven perspective and sometimes attempting to upgrade the administrative apparatus in its various dimensions.

The relationship between efforts at improving administrative capacity and fiscal objectives is a complex one: while the extreme fiscal pressure has had a significant rationalisation effect, in a number of cases it halted or weakened efforts towards deeper administrative reforms. This came on top of the resistance to change that is to be expected in a charged political environment.

The issues on the agenda were not raised for the first time. Not only were they known but also directions for reform had already been formulated in the past, in the form of expert and technical assistance recommendations. In face of the crisis, these long overdue reforms were linked to the new fiscal policy priorities. However, not all interventions placed under the label ‘reform’ represented substantial or even necessary change.

For a general assessment, the following questions appear critical:

- *To what extent were chronic administrative weaknesses remedied?*

More important than fulfilling the requirements of the Memoranda is whether the interventions that took place have successfully dealt with observed administrative weaknesses and whether the administrative capacity has in fact been upgraded. As already highlighted on other occasions, at a macroscopic level, the Greek

administration suffers from a low degree of institutionalisation, legitimacy and effectiveness in direct association with the low level of trust from society and citizens. Has it been possible to overturn some—if not all—of these features?

The frequent changes in organisational structures with the abolition or merging of agencies and services, the creation of new structures both within and outside the public sector, the constant transfers of staff and responsibilities coupled with successive changes to the rules governing the organisation of the civil service, did not favour the process of institutionalisation. A prolonged period of normality is needed in order to consolidate the new state of play in operational terms and to assess its effectiveness.

At the level of legitimacy, the Greek administration has not gained much. Its legitimacy has most probably been shrunk as a result of its inability to respond to citizens' needs. Fiscal constraints and related interventions exacerbated its long-standing weaknesses. It is therefore questionable whether its administrative capacity and efficiency have significantly improved.

- *Was the reform process consistent?*

The reform process itself contained deterrents and contradictions and presented dysfunctions. To comply with the requirements of the Memoranda, an avalanche of piecemeal changes in the laws and regulations were necessary. Their low quality exacerbated the already poor state of the legislation. Some of the changes were visibly ill-prepared, whereas they were targeted at symptoms rather than the underlying causes of specific problems. Not only did hasty solutions and spasmodic measures prove ineffectual, but they also undermined—directly or indirectly—whatever initial rationalisation objectives.

In a number of cases, the reform process was faltering and lacked continuity and consistency. Furthermore, constant features of the political-administrative system influenced the course and dynamics of reforms. With few exceptions, frequent changes of governments or ministers significantly slowed down reforms or even reversed past choices. Absence of consensus and lack of continuity were confirmed as lasting features of policy-making in Greece that cost time and energy.

The overloaded agenda entailed the simultaneous introduction of numerous reforms. These also bore the consequences of unrealistic timetables, of the excesses of the fiscal rationale and the negative interplay between different measures and interventions. In some cases, they reinforced anti-reform attitudes and coalitions, while not confirming their necessity at the operational level.

The technical and political difficulties generated by the very process of reform became manifest in the implementation phase. Delays appeared as a result of a mixture of unrealistic targets and timetables, administrative shortcomings, technical difficulties and (expected) resistance to change.

Resistance was particularly visible where there was a retreat or subsequent overturn. However, given the traditional neglect of implementation in Greek administration, some progress can be noticed, as illustrated particularly by the implementation or line up—even belatedly—of long-overdue reforms.

- *Have the crisis reforms been a break or a missed opportunity for public administration?*

Finally, the question whether the reforms undertaken constitute a turning point or a missed opportunity for the administration needs to be answered on a case-by-case basis. The depth of changes varies considerably by policy area and by topic. The administrative tools have been significantly modernised, while in certain cases

the foundations for improving policy-making have been put in place (e.g. fiscal management, Human Resources Register).

It is not certain, however, that the deeper perceptions on how to formulate and conduct policy have changed, nor is there any guarantee regarding the future course, unless the new tools and opportunities in the direction of wider and deeper changes are taken advantage of. In order to benefit from their long-term impact, reforms need to be consolidated and continued.

Nevertheless, to answer the question whether the outcomes of the crisis and the eight years of reforms are commensurate with the energy expended, we should take the great mismatch between benefits and efforts into consideration.

An overall assessment of the reforms examined in this report is summarised in the following table:

Table 7  
Assessment Of Reforms 2010-2018

|                      | Memorandum of Understanding | Main objective |    | Delays Cancellation                          | Partial retraction | Obstacles   | Secondary effects  | Estimation of overall significance   | Energy and time cost/ effect ratio (estimated efficiency) |
|----------------------|-----------------------------|----------------|----|--|--------------------|---|--|--|---|
|                      |                             |                |    |  |                    |   |  |  |   |
|                      | M1                          | M2             | M3 |  |                    |   |  |  |   |
| Financial management |                             |                |    |  |                    |   |  | Big change Improvement   | Acceptable  |
| HR Register)         | M1                          | M2             |    | Several delays                               |                    | Resistances, Technical & Legal Difficulties   |  | Big change Improvement   | Acceptable  |
| Cadastre             | M1                          | M2             | M3 | Several Delays<br>Post-Memorandum obligation | A few              | Unrealistic timetables<br>Technical difficulties<br>Government instability<br>Corporatist interests | Lack of operational flexibility<br>Financial burden on citizens<br>(Forest maps)<br>Delay in implementation of Geospatial Policy | Big organisational change (ongoing)<br><br>Improvement: Forest Maps, coastline zones | -<br>Disproportionate                                     |

|                                 | Memorandum of Understanding | Main objective |            | Delays<br>Cancellation                           | Partial retraction | Obstacles  | Secondary effects                              | Estimation of overall significance | Energy and time cost/<br>effect ratio (estimated efficiency) |
|---------------------------------|-----------------------------|----------------|------------|--|--------------------|--|--|------------------------------------|--|
|                                 |                             | Fiscal         | Structural |  |                    |  |  |                                    |  |
| Mobility                        | M1                          |                |            | Several delays                                   | Partial retraction | Confusion of fiscal and structural objectives<br>Risk of dismissal<br>Government instability | Great disruption – delegitimation of reform    | Big change<br>Partial improvement  | Disproportionate   |
|                                 | M2                          | M1, M2         | M3         | Long delay                                       |                    | Corporatist interests<br>Political cost  | -  |                                    | Insufficient (Not implemented)                               |
|                                 | M3                          |                |            | Non-implementation<br>Post-Memorandum obligation | Discontinuities    | Government instability<br>Trade union reactions  | Risk of dismissal<br>Trade union confrontation | Small change                       | Disproportionate   |
| Job classification ("Branches") | M2                          |                |            |  |                    |  |  |                                    |  |
| Performance appraisal           | M3                          |                |            |  |                    |  |  |                                    |  |

|   | Memorandum<br>of Understanding | Main objective |            | Delays<br>Cancellation | Partial<br>retraction                                   | Obstacles  | Secondary<br>effects   | Estimation<br>of overall<br>significance | Energy<br>and time<br>cost/<br>effect ratio<br>(estimated<br>efficiency) |
|---|--------------------------------|----------------|------------|------------------------|---|--|--|--|--|
|   |                                | Fiscal         | Structural |                        |   |  |  |  |  |
| Selection of<br>managers                          | M2                             |                |            | Long delays            | Discontinu-<br>ities                                    | Government<br>instability  | Prolonged<br>provisional<br>nominations.<br>De-legitimisa-<br>tion of reform | Small change                             | Dispropor-<br>tionate  |
|   | M3                             |                |            |                        |   |  |  |  |  |
| De-politi-<br>cisation of<br>Executives           |                                |                |            |                        |   |  | Unclear objec-<br>tive. Unclear<br>division of<br>roles with DG              | Big change<br>Small im-<br>provement     | Acceptable   |
|   | M3                             |                |            |                        |   |  |  |  |  |
| Central<br>Administra-<br>tion Re-<br>structuring | M1                             |                |            |                        | Partial<br>retraction<br>Mainly<br>discontinu-<br>ities | Confusion<br>of fiscal and<br>structural<br>objectives<br>Risk<br>of layoffs.<br>Government<br>instability | Bureaucratic<br>burden   | Big change<br>Relative im-<br>provement  | Dispropor-<br>tionate  |
|   | M2                             | M1, M2         | M3         | Several<br>delays      |   |  |  |  |  |
|   | M3                             |                |            |                        |   |  |  |  |  |



|  | Memorandum of Understanding | Main objective |            | Delays<br>Cancellation                             | Partial retraction     | Obstacles  | Secondary effects   | Estimation of overall significance   | Energy and time cost/ effect ratio (estimated efficiency) |
|--|-----------------------------|----------------|------------|--|------------------------|--|---|--|---|
|  |                             | Fiscal         | Structural |  |                        |  |   |  |   |
| Public sector Restructuring Privatizations | M1                          |                |            | Short delays                                       | Short delays           | Unrealistic budgetary targets<br>Technical difficulties<br>Political resistances<br>Political costs<br>Corporate interests | Fragmentation of management structures / coordination problems / administrative costs | Big organisational change-<br>tional change-<br>(ongoing)  | Doubtful  |
|  | M2                          |                |            |  |                        |  |   |  |   |
|  | M3                          |                |            |  |                        |  |   |  |   |
| Spatial Policies                           | M1                          |                |            | Long delays<br>Non-implementation of<br>Electronic | Policy discontinuities | Technical difficulties<br>Political resistance<br>Administrative resistance  |   | Simplification of environmental licensing<br>Partial easing of localisation procedures for investments | Disproportionate  |
|  | M2                          |                |            |  |                        |  |   |  |   |
|  | M3                          |                |            |  |                        |  |   |  |   |

|                 | Memorandum of Understanding | Main objective |            | Delays Cancellation           | Partial retraction           | Obstacles                  | Secondary effects | Estimation of overall significance               | Energy and time cost/ effect ratio (estimated efficiency) |
|-----------------|-----------------------------|----------------|------------|-------------------------------|------------------------------|----------------------------|-------------------|--|---|
|                 |                             | Fiscal         | Structural |                               |                              |                            |                   |  |   |
|                 |                             |                |            | Non-implementation            | Discontinuities              | Ill-prepared changes       |                   | Little improvement - no improvements to the rest | Disproportionate  |
|                 |                             |                |            | Environmental Registry        | Reset of abolished entities  |                            |                   |  |   |
| Undeclared work | M1                          |                |            | Long delays Incomplete reform | Distortion of policy targets | Administrative resistances |                   | Small operational improvement                    | Disproportionate  |
|                 | M2                          |                |            | Post-Memorandum obligation    |                              | Contradictory policies     |                   | - Questionable results (incomplete reform)       |   |
|                 | M3                          |                |            |                               |                              | Fiscally driven objectives |                   |  |   |

Source: Table compiled by C. Spanou, based on the findings of the Report (2018).

