



Regulatory Burden Reduction In GREECE

DIRECTORS AND EXPERTS OF BETTER REGULATION MEETING

Rome, 18-19 September 2014

**Dr. Victoria Sotiriadou,
Director, EU Affairs Directorate, Ministry of Finance**



Recent Reforms

- **Tax Collection**
- **Public Order: e-ID**
- **Reforms abolishing barriers to access economic activities**



Ministry of Finance

General secretariat of public revenues

Tax Collection

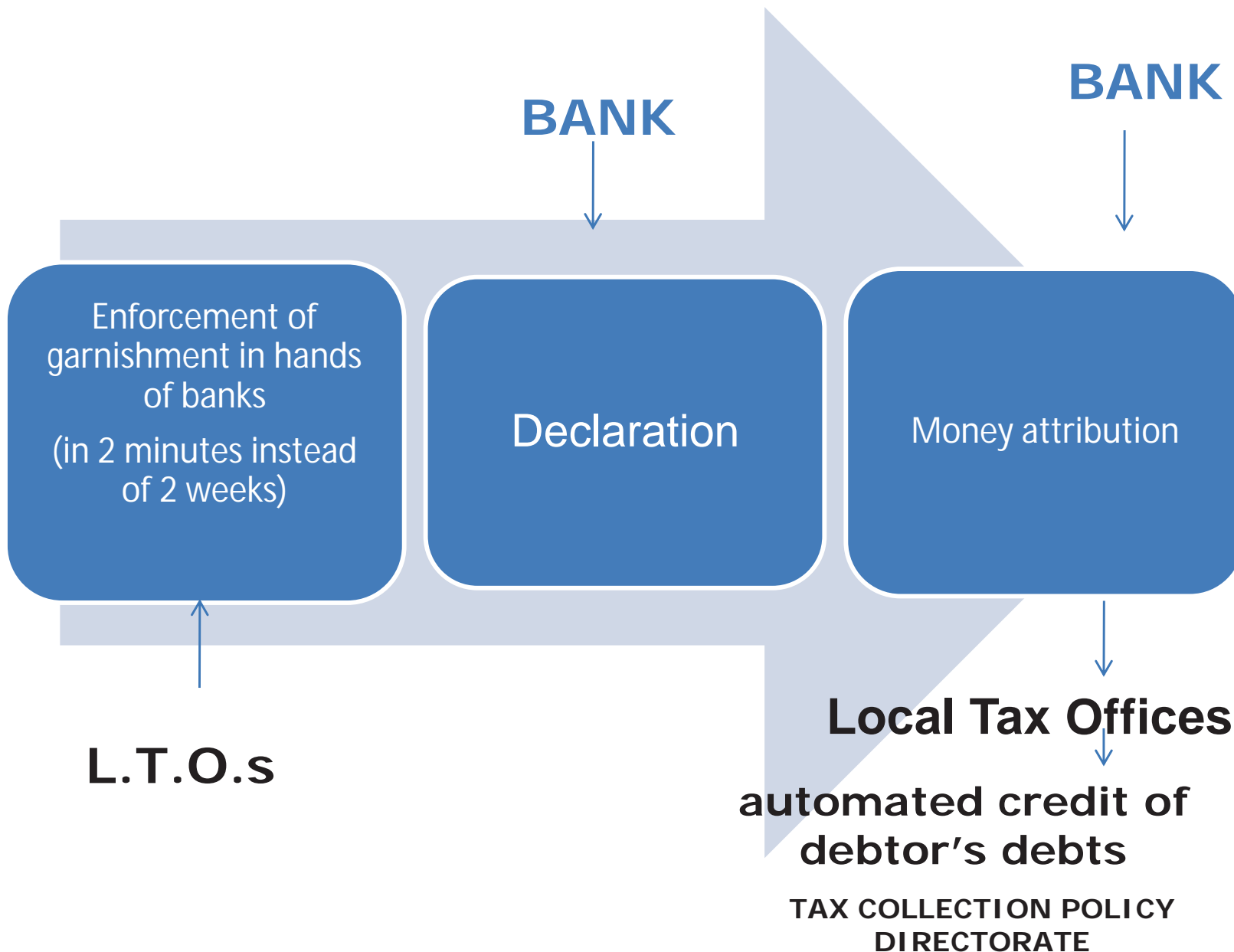
Ministry of Finance,
General Secretariat of Public Revenues,
Tax Collection Policy Directorate



Recently Undertaken Actions

- **Electronically conducted procedures:**
 - e-Garnishments
 - e-Fee payment
 - e-Tax Clearance Certificate
 - e-Installment Plans
- **Mergers of Local Tax Offices (L.T.O.s)**

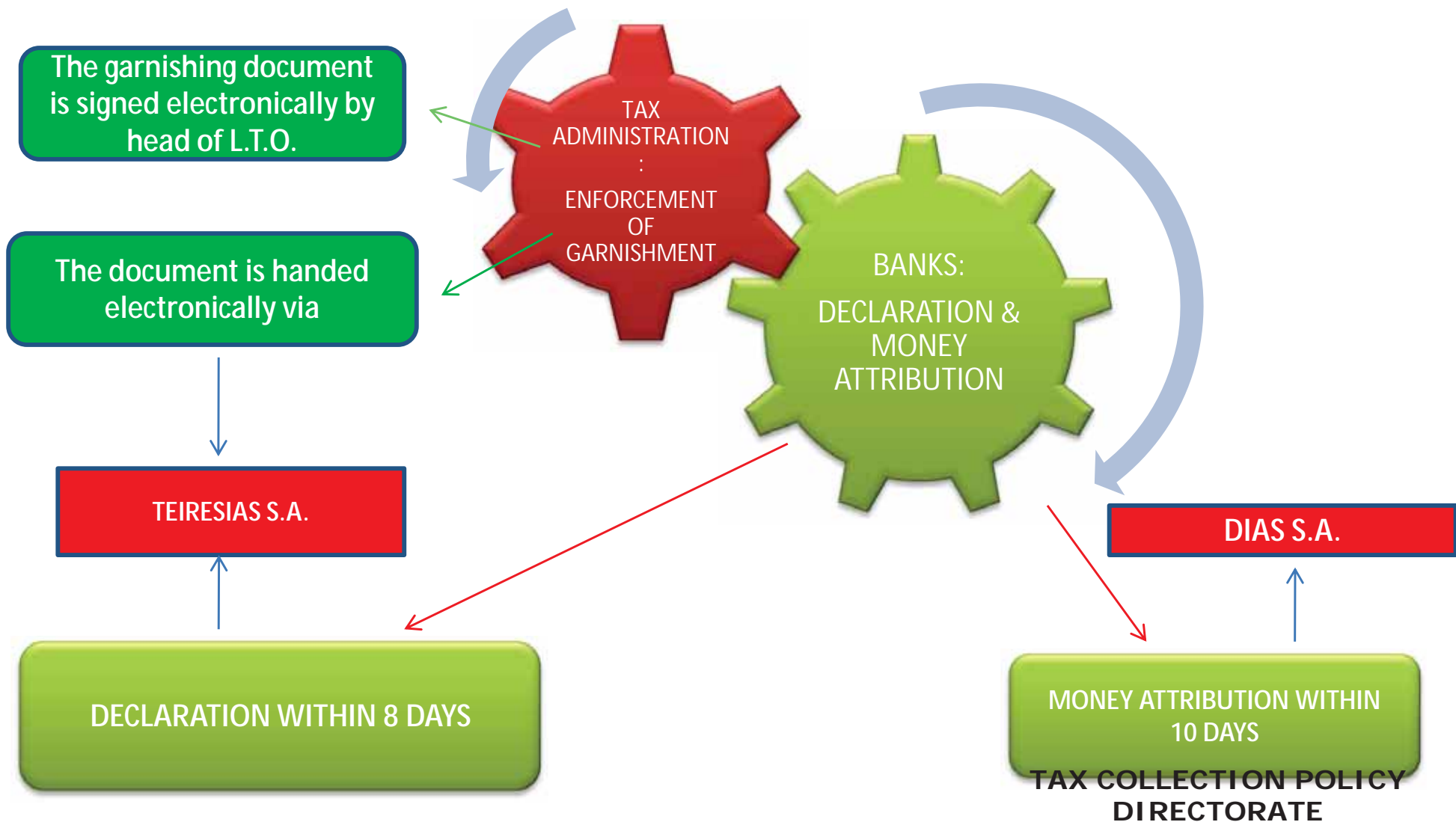
e-Garnishment in hands of banks electronically conducted from beginning to end



e- garnishments: Participants



e-garnishments: The Process...



e-Payments: e-Fee payment

WHAT IS IT?

- a unique digital code

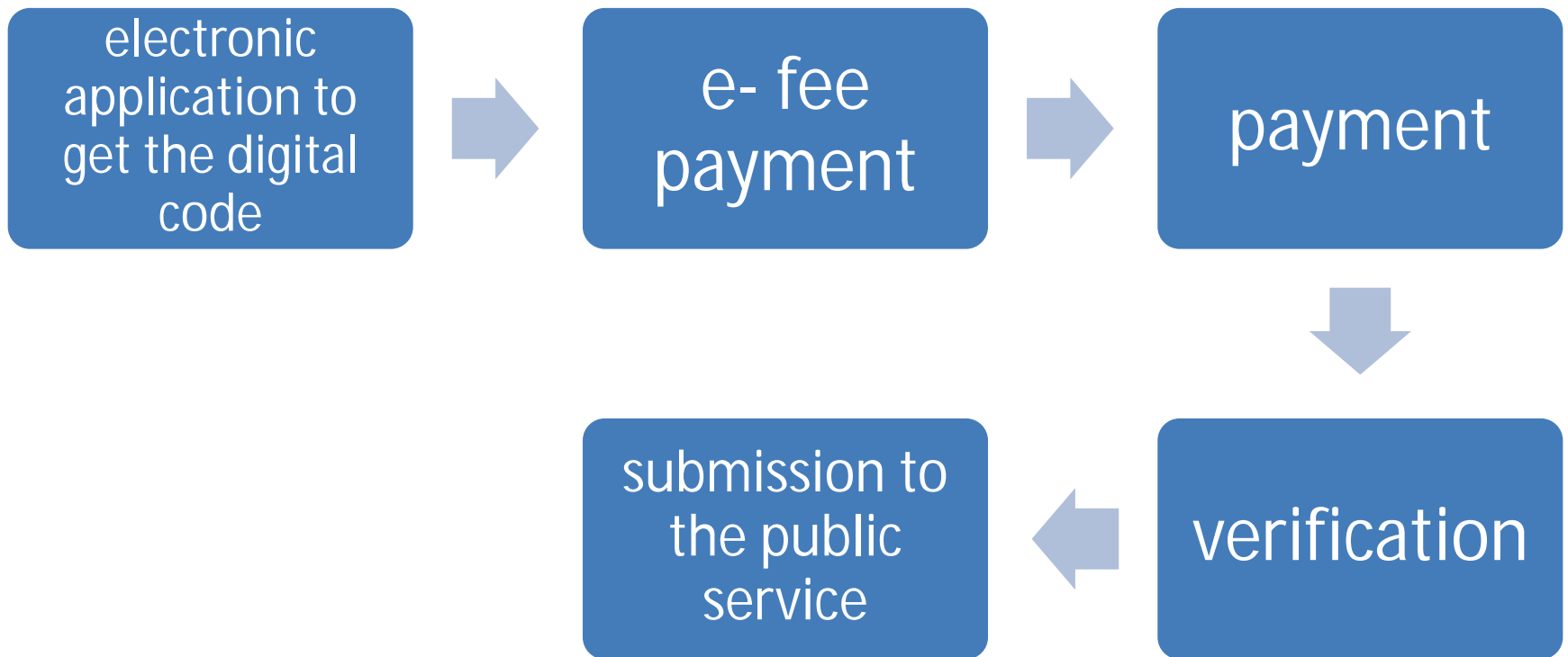
WHAT IS NEEDED?

- a web application in General Secretariat Information System (G.S.I.S.) portal

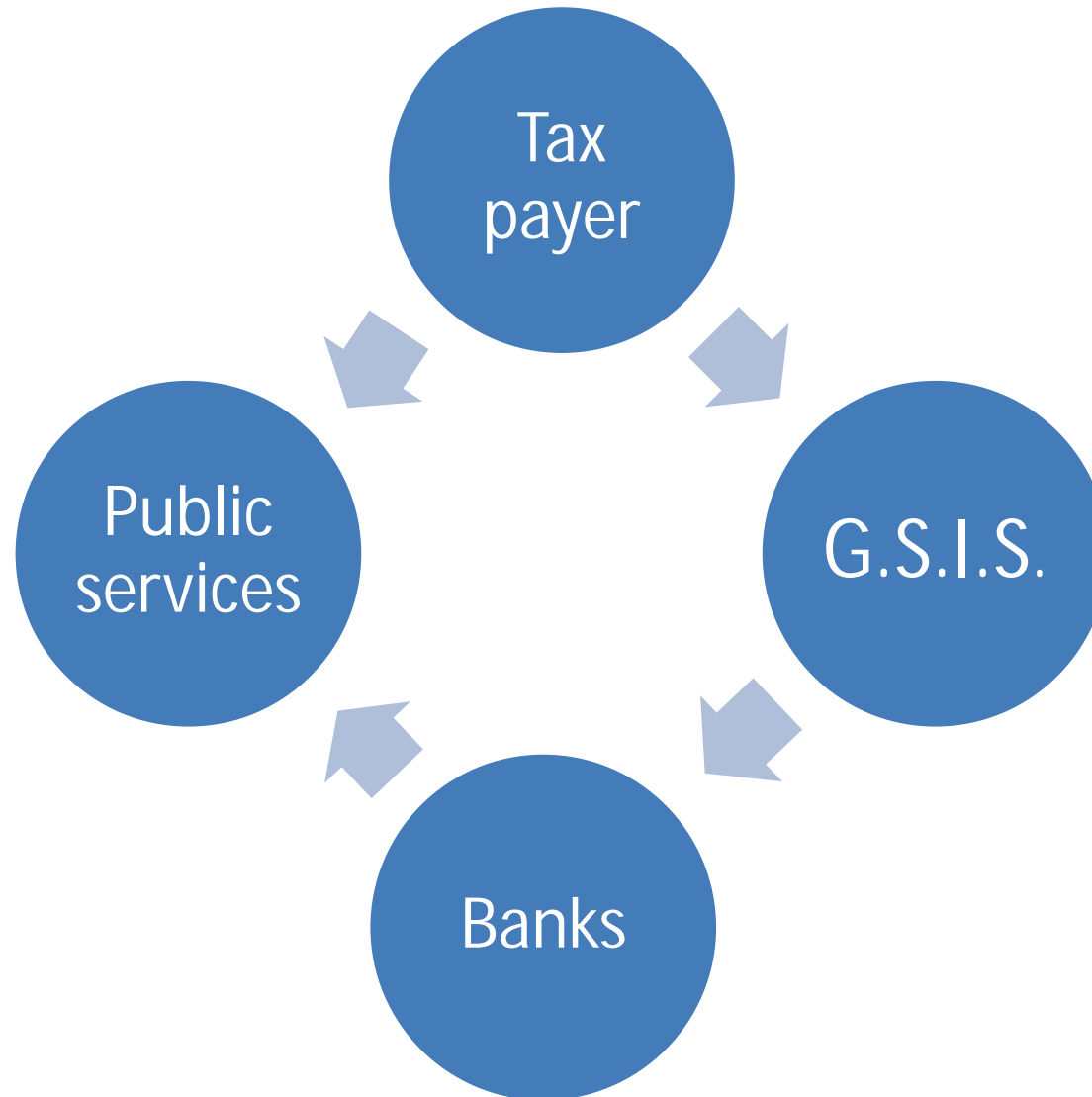
WHERE DOES THE TAX PAYER PAY:

- in banks: in situ or online

e-Fee Payment: the process



The participants



e-Tax Clearance Certificate

Electronic application using the portal of GSIS

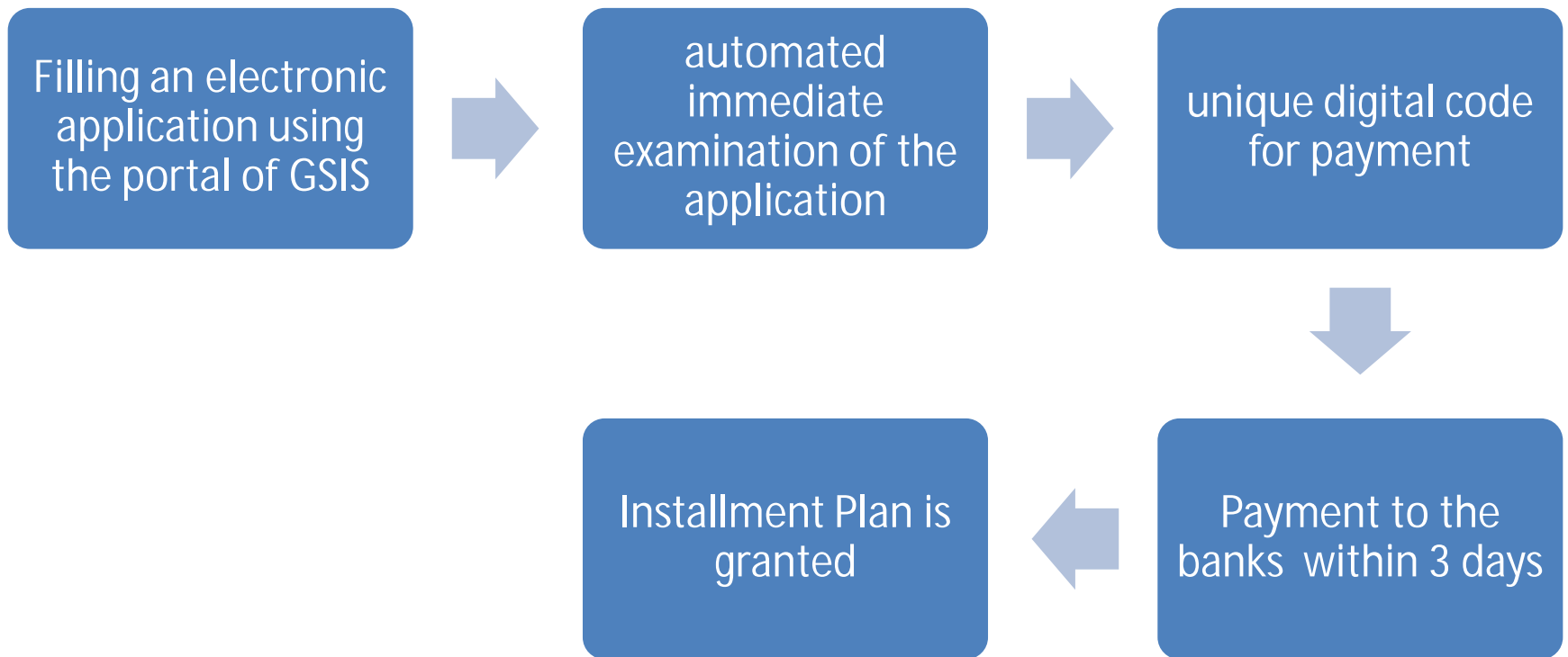


Electronic Tax Clearance Certificate



Printing

e-Installment Plans: the process



Benefits of automated procedures

we save:

- money
- time
- paper
- and human effort



to accelerate Value Added Tax – Refunds

- refund bearing interests, if carried out in excess of 90 days of the request
- new electronic form of periodic VAT refund, incorporating VAT refund claims
- centralised monitoring, control of applications every 15 days by the risk analysis system

Mergers of L.T.O.s

- 288 L.T.O. s,
179 of which had 2 sub-directorates and 10 departments each and the rest only 1 department,
were merged in
- 118 L.T.O.s
of which 61 have 1 sub-directorate and 5 departments and the rest no sub-directorate and 3 departments

L.T.O. s mergers

288
before

118
currently

Sub-directorates in L.T.O.s

358
before

61
currently

Departments in L.T.O.s

1908
departments
prior

476
departments
now

Mergers' Benefits

- Cost Reduction
- Infrastructure
- Human Resources



Public Order

Ministry of Public Order and Citizen Protection



- **Electronic Documents for Citizens**
- **Electronic Mapping and Management of Illegal entrants in the country**
- **Interconnection of IT systems for the control of vehicles' insurance coverage status**
- **Digitisation of moto licenses and on-line access from other agencies**



Ongoing Actions

- **Online Provision of Policing and Judicial information to citizens**
- **Setting up of a national electronic system for the management of citizens identification (e-ID), interlinked with European and International databases**



**Reforms abolishing barriers to
access economic activities**

**Simplification of Procedures and
fast track Licensing**

cutting red –tape for business

Ministry of Finance provides Legal Basis

Services
Directive

Law
3844/2010

Law
3919/2011



Ministry of Finance

- Law 3919/2011, “ **Principle of professional freedom, abolishment of unjustifiable restrictions/limitations to the access and exercising of professions**”, was published and is valid as of March 2, 2011 (O.G.G.-Official Gov’t Gazette- 32 A).



Ministry of Finance

- Greece –as regards the aspect of professional freedom/liberalization - is under an **ongoing process of structural reforms far beyond the scope of the Services Directive (123/2006)**
- Law 3919/2011 is based on the constitutional principle of professional freedom and abolishes all the unjustifiable restrictions or limitations to the access and exercising of professions.



Ministry of Finance

- Article 3 abolishes the licensing procedure, establishes the **notification procedure** and gives the opportunity to **announce** the starting of a professional activity and to **start operating** within three months from the submission of the required documents to the competent authorities



Ministry of Finance

Specifically with Article 2 of the Law are abolished :

limitations on the **number of persons** entitled to exercise a profession (population criteria , numerus clauses)

dependence of authorisation from a " **real need** " according to the assessment of the administrative authority

geographic restrictions , minimum distances between similar establishments

The ban on having **more establishments** from the same person



Ministry of Finance

- The obligation to offer other specific services
 - Provisions for exclusive provision, or prohibition to provide goods and services by certain categories of professional establishments
 - The imposition or prohibition of specific legal form
 - The limitations associated with the equity participation
 - The imposition of mandatory minimum prices/ fees for the provision of goods or services

Ministry of Administrative Reform & E-government

- licensing systems replaced by a notification:
 - Fitness centres-gyms, sports Schools
- Pre –licensing to allow start ups:
 - Health regulated Establishments selling food & beverages (19 activities e.g. butchers', greengrocer's, bakery & pastry shops, fishmongers', etc)
 - Health Regulated Establishments providing services, activities such as hairdressers' salon, tattoo workshop etc

Characteristics of selected activities

- Low-risk establishments
- Low density people congregation
- Oriented to SME which are more affected by AB



The way forward

- No file submission
- No processing
- No administrative act
- Immediate commencement of business
- Businessman commits to self-compliance with specific regulatory requirements
- Elimination of red tape, extensive and time-consuming *ex ante* inspection
- Empowering of *ex post* inspection



The aim

- **Elimination of formalistic/legalistic/red tape licensing systems**
- **Enhances trust among business and Public Administration**
- **Public interest is safeguarded with compulsory sample inspections at 20%**
- **GR Competitiveness enhanced**

Ministry of Development and Competitiveness

New Law “Simplification of procedures for taking up economic activities:

- **Bill tabled to the Parliament on 30 April 2014**
- **Approved in principle by relevant Parliamentary Committee on 2 May 2014**

➤ new landscape for entrepreneurship



Lifting barriers

Establishing a new fully simplified framework for business licensing procedures.

The bill sets a binding deadline for adoption of all secondary legislation / joint ministerial decisions and presidential decrees by the end of 2014.



The aim is

- ✓ to set objective standards and regulations**
- ✓ to set a system of self regulation for businesses**

Inspections and controls will take place while the business is running, not before the autorisation for establishment

Lifting bureaucratic barriers for start-ups

The new law allows for:

- **inspections by certified agencies**, not only by public administration
- **“pre-licensing”** for establishment in business parks



Changing the business environment

- ❖ a central electronic licensing and auditing management system is introduced
 - As a portal for business start – ups
 - On line applications and completion of many procedures
 - On line progress follow – up



There are 12 fields of application:

- land and air transport,
- plumbing projects,
- port projects,
- environmental infrastructure,
- Mining and related activities,
- tourist facilities and urban development ,



There are 12 fields of application

- farming,
- aquaculture,
- industrial and related facilities,
- cafes, restaurants, bars, hairdressers, etc
- transportation of fuel, energy and chemicals
- special projects and activities



- **Economic activities that require special licensing regimes are excluded such as renewable energy and telecommunications infrastructure.**



- National Law 4254/2014 (sentence 2 par. H article 1) FEK A' 85/ 7.4.2014
- Official, state-issued Permits in order to become a technician in the field of film and television have been annulled (60 licences).



inter-ministerial task force

- inter-ministerial task force, Ministry of Finance coordination, set up for a **wide screening exercise of all professions and professional activities under each ministry**
- **Proportionality:** the proportionality of national measures should be analysed with reference to their suitability to securing the objectives they pursue. Measures should not go beyond what is necessary to attain the objectives.
- inter-ministerial task force to make specific recommendations on legislative or administrative actions necessary to lift the restrictions
- The screening will **not cover** reserved activities of engineers, architects, geologists and land surveyors, which are subject to an ongoing reform



Thank You for your attention!