

FINAL REPORT

TECHNICAL SUPPORT TO IMPROVE CORE FUNCTIONS WITHIN REVENUE ADMINISTRATION IN GREECE

ENABEL REF: GRC190051T

EU REF: SRSS/S2019/034

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The report is prepared in line with Article 4 of the Special Conditions of the Agreement and Article 3.8 of Annex II, General Conditions.

Acronyms

Enabel	Belgian Development Agency
EC	European Commission
EU	European Union
HWIAC	High Wealth Individual Audit and Collection Centre
IAM	Indirect Audit Methods
IAPR	Independent Authority of Public Revenue
IWG	Intelligence Working Group
KOE	Mobile Units
MoF	Ministry of Finance
RA	Revenue Administration
SEK	Operational Co-ordination Centre
TA	Technical assistance or Technical assistant
TS	Technical Support

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Summary of the Action

Intervention name	Technical support to improve Core functions within Revenue Administration in Greece
Intervention Code	Enabel REF: GRC190051T EU REF: SRSS/S2019/034
Location	Greece
Budget	349.826 EUR
Funding source	100% EU
Type of contract	P.A. Grant agreement
Partner Institution	Directorate General for Structural Reform Support (DG REFORM)
Implementation period	11/07/2019 – 10/10/2020
Target groups	The Independent Authority of Public Revenue (IAPR)
Impact	To modernise and improve the functioning of the Independent Authority of Public revenue (IAPR), i.e. the Greek Revenue Administration)
Overall Objective	To contribute to the modernisation and improved functioning of the IAPR and more specifically of the core functions of this administration, with a view to delivering sustainable public finances that support growth and jobs in the context of the Post-Program Enhanced Surveillance Regime.
Specific Objective	Specific objectives are related to: - The improvement of capacity and efficiency of the staff within the tax and customs administration; - The improvement of the tax administration and customs core functions and processes.
Results	Technical Support provided in a demand driven way to the IAPR in selected areas of revenue administration (such as institutional reforms, tax audit and tax investigation, debt collection, fight against smuggling of excisable goods, customs etc). This is expected to enhance both the IAPR administrative capacity, in particular its operational capability and its management capacity in implementing its reform and modernisation agenda in these areas, provided of course that the underlying assumptions materialise and identified risks do not negatively affect the TS action.
Period covered by the report	11/07/2019 – 11/10/2020 (Final report)

1 Background and overview

The Agreement entered into force on the 11th of July 2019. The agreement was amended on the 10th of July 2020 to adjust of the budget. This was initiated in order to accommodate the IAPR's for technical support in their core functions of the administration only be provided by seconded long-term experts.

Section II provides an assessment of implementation of the action in three parts:

- a. A summary of the project implementation;
- b. A narrative overview of progress made through the end of the project, including activities undertaken, outputs delivered, risks and mitigation actions and results achieved;
- c. An assessment of which extent the objectives and outcomes have been achieved.

Section IV provides an overview of the financial status of the project through end of the project, including the utilisation of the budget (in line with Annex III of the Agreement).

No assets were acquired under the project. A transfer of assets to the beneficiary was therefore not required.

2 Assessment of implementation of the action

2.1 Project and Implementation Description

The provision of technical assistance by the support of DG REFORM, former Structural Reform Support Service (SRSS), and ENABEL was delivered under the PA Grant Agreement SRSS/S2019/034: "Technical Support to improve Core Functions within the Revenue administration in Greece".

The project was implemented at the same time with the complementary technical support project under the Grant Agreement SRSS/S2019/062: "Continuation of Technical Support to improve Core Functions within the Revenue Administration in Greece".

Both projects provided continuation of the technical support to the Greek authorities in the area of Revenue Administration, organising and building up capacity in its core functions.

Both projects was continuations of the technical support project provided under the Grant Agreement SRSS/S2018/013: "Improve revenue administration in Greece".

Both projects provided continuation of the technical support to the Greek authorities in the area of Revenue Administration, organising and building up capacity in its core functions

2.1.1 Summary of implementation of the Project activities

The project included the following outputs provided through long-term resident experts' advice implemented during the period, July 2019 – May 2020:

#	Output	Summary of support measures
1	Support in the field of institutional reforms (Long-term resident advisor)	Support was provided by the resident experts: <ul style="list-style-type: none"> • Ms Jocelyn Pierre (tax specialist from the French tax <i>administration</i>) - (October 2019 – December 2019)
2	Targeted long-term support to tax audit and tax investigation functions (long-term resident advisor)	Support was provided by the following resident advisors: <ul style="list-style-type: none"> • Ms Dimitra Vasilara (tax specialist from the Danish tax administration); support to the tax audit function of the IAPR (October 2019 – December 2019)
3	Targeted long term support in the field of debt collection (long-term resident advisor)	Support was provided by the following resident experts: <ul style="list-style-type: none"> • Mr Dyre Sorensen (specialist in tax debt collection from the Danish tax administration) – (October 2019 – Marts 2020)
4	Targeted long term support in the field of smuggling of excisable goods (long-term resident advisor)	Support was provided by the following resident experts: <ul style="list-style-type: none"> • Mr Stephen Henderson (customs and excise administration from the HMRC) – (August 2019 – February 2020)
5	Providing advice to the IAPR in specific key areas	N/A
6	Translation and interpretation service	Translation and interpretation services from Greek to English and other working languages of the European Commission to support the long-term resident experts in their work with the Greek authorities.

2.2 Implementation

This project financed a number of long-term experts as resident advisors to provide TS and capacity building to the IAPR in the core functions of its administration. This is described below in this section.

2.2.1 Output 1: Support in the field of institutional reforms (Long-term resident advisor)

A specialist in horizontal matters of tax administrations with focus on training needs of tax and customs officials, Ms Jocelyn Pierre, seconded from the French tax administration for the period of October 2019 – December 2019. The expert provided advice to the IAPR as regards to the design and implementation of institutional and coordinated the support provided in the field of core functions. In more detail:

- implementation of the Blueprint- Strategic plan of the IAPR 2019-2021 and the respective roadmaps;
- implementation of a training academy for tax and customs administration;
- advice on strengthening the role of headquarters;
- advice on standardised operating procedures with the view to ensuring uniform application across local tax offices;
- advice on how to upgrade managerial skills of IAPR managers;
- Communication strategies (internal and external) on various institutional changes.

2.2.2 Output 2: Targeted long-term support to tax audit and tax investigation functions (long-term resident advisor)

A specialist in tax audit, Ms Dimitra Vasilara, seconded from the Danish Tax Administration for the period October 2019 – December 2019. The TS provided by the expert focused on hands-on consultancy for the performance of tax audits by junior and senior tax auditors, gathering of information to assist the authorities in developing manuals for several types of tax audits based on taxpayers segmentation, support to the Dispute Resolution Unit of the IAPR as regards the implementation of Indirect Audit Methods (IAM) and the level of proof required based on the Danish experience. In more detail:

- advice and support on building capacity in the Audit Directorate, the LTAC, the HWIAC and the Compliance Directorate;
- advice and support on compliance strategies;
- advice and support on transfer pricing issues;
- advice and support on indirect audit methods;
- advice and support in relation to tax investigations;
- assistance with the Audit Directorate's reorganisation;
- Assistance for the adoption of a fully contemporary audit programme based on specialisation and taxpayers' segmentation.

2.2.3 Output 3: Targeted long term support in the field of debt collection (long-term resident advisor)

A specialist from the Danish Tax Administration in the field of tax debt collection and the establishment of model collection centre (incl. consolidating several collection functions), Mr Dyre Sorensen was seconded for the period of October 2019 – Marts 2020. The long-term resident advisor delivered expertise on the following:

- Advice and support on the creation and roll out of a centralised model collection centre;
- Advice and support on the development of debt collection IT strategies;
- Advice and support on the process of integration of Social Security Contribution collection administration and tax administration.

2.2.4 Output 4: Targeted long term support in the field of smuggling of excisable goods (long-term resident advisor)

A specialist in customs and excise administration from the HMRC, Mr Stephen Henderson, provided support for the period August 2019 – February 2020. Technical support was provided to strengthening capacity of the IAPR in the fight against fuel smuggling, gathering and handling of intelligence relating to smuggling and other customs-related offences and support for the empowerment and efficient operation of the mobile units. In more detail, the long-term resident advisor delivered expertise on the following:

- Advice and support on fight against fuel and tobacco smuggling, including the support to the development of related IT projects;
- advice and support on risk analysis of controls;
- Advice and support on working tools to be used by mobile control units.

2.2.5 Output 5: Short-term expert visits

Due to the agreement of an amendment, between DG REFORM, Enabel and the IAPR, of the project contract and deliveries, this output was not delivered.

2.2.6 Output 6: Translation and interpretation service

Translation and interpretation services from Greek to English and other working languages of the European Commission to support the long-term the resident experts in their technical support to the IAPR. The translation and interpretation services was provided in the context of written and oral correspondence with between the experts and the Greek authorities.

2.3 Overview of Progress and Results Achieved

The technical Support under this project has built upon the support provided under the previous grant agreements in relation to the IAPR and was implemented at the same time with the complementary technical support project under the Grant Agreement SRSS/S2019/062. The project mainly focused on assisting the IAPR in the reorganisation and modernisation of its core functions at a mature stage of implementation, including coordination of advice provided to the IAPR, through a number of resident advisors. The overview of the progress and results achieved during the reporting period per area of intervention are set out below in turn.

2.3.1 Output 1: Support in the field of institutional reforms (Long-term resident advisor)

Coordination support to implement reforms to improve revenue administration

The technical assistance has supported the Greek tax administration in the coordination of implementation of reforms and of all technical support providers in the tax administration area. The expert provided support in the organisation of legal services in several European revenue administrations with best practices from different EU member states. The technical assistance coordinated input from all experts to several EU COM activities, e.g. Draft Budgetary Plan for 2020, Post-program enhanced surveillance report, and 2020 IAPR Business Plan performance contract to the IAPR management board IAPR performance indicators.

The technical assistance has been involved in preparing the testing of the EU HRM Agility & Readiness Model. This model has a Training dimension allowing involving IAPR stakeholders and raising awareness on the importance of training, where the technical assistance provided support and advice to the Head of the Performance Management & Grading Department. Besides, the technical support assisted in drafting PIT tax credit instead of exemption from VAT on new constructions, which was voted through parliament and the legal guidelines was published by the IAPR in January.

Establishment of an IAPR training capacity

The technical support has support the IAPR in the establishment of an IAPR training capacity. This included assisting with the identification and design/development of the priority training materials required for the IAPR and supporting progress on Tax academy Action Plan.

In this context, the technical assistance has provided orientations about a “modular” training offer along TA lines as to be flexible in the training and aggregate them in a thematic catalogue, categorise the population to adapt the training (profile, appointment, localization, etc.), focus the training in strategic moments (recruitment, change of position) to avoid the long general one-size-fit-all training, build training routes with pre-requisite to access certain tuitions and certain positions, and prepare tests and certification at the end of each module for both theoretical knowledge and practical skills (including the possibility to fail at a test).

The technical assistance has supported and provided advice to set up working groups to create training modules syllabus fit to the needs of the Core functions Directorates and pragmatically feasible by the Academy. This will match the design of the trainings to the needs clarifying the choice of teaching modalities for the IAPR and ensure the final products are fit for purpose, including articulation of the training program and the competency framework job descriptions (consideration of staff career path, the IAPR values, and the soft skills). Besides, the technical assistance ensured the process of ‘Matching Training Need Diagnosis Process and external constraints’ with the purpose to ensure that the Academy to received national certification as an educational institution.

The expert has provided a strategic-level 3-fold plan. This includes: 1/ a IAPR strategic-level annual document to set up collective priorities and assess the necessary resources 2/ a process based on Working Groups to produce a syllabus corresponding to the needs of business units and feasible by the Academy and 3/ some orientations allowing that most of the IAPR training is provided under the responsibility of the Academy. The strategy has been implemented yet, but will ensure that the training needs in the IAPR can be met by the Training Academy.

The technical assistance provided support and used its network to integrate the Greek tax academy into a "Mediterranean" network, as well as ensuring and selecting a number of Greek tax inspectors to follow a one-year scholarship in France. This will ensure that the IAPR gets an internal orientation and can implement best practices from other nations' tax administrations.

Enhance the services provided to taxpayers

Along the lines of the Blueprint, the technical assistance provided support in the IAPR to produce accurate high-quality information as simple as possible, complete always updated, consolidated so that it is user-oriented and easy to understand. The expert has support the tax service in setting up information sources so the tax payers conveniently and fast can get access to all information they need. This will result in increased voluntary compliance, taking into consideration citizens with special needs. In this context, the expert has ensured that the information to the tax payers is uniform across different channels. To support this the technical assistance has set up 'frequently asked questions working groups'. These pilot WGs process embrace both technical and organizational implications of the FAQ drafting.

The technical assistance has had a focus to assist the front-office staff to welcome the users. This implies good training in standardizing the processes carried out by the agents and some "staff-oriented" documentation. The technical assistance has therefore organised trainings/workshops on service provision, e.g. focussing on principles of tax administration towards taxpayers; definition of what is considered as "services"; unit/s in charge of providing, steering or coordinating these services and important processes; positioning of this/these units in the tax administration and responsibilities/missions; what service provision globally mean.

The technical assistance has provided support and advice in setting up a full-fledged Directorate of Compliance including Service Provision. The purpose is to expand the DG Tax's Directorate Compliance scope towards risk management and possible a unit to draft Documentation for the taxpayers, The DG Tax's office, in cooperation with the Compliance Director. The expert focused on making the distinction between ownership/centralisation/coordination of tasks and producing documentation/distributing documentation.

2.3.2 Output 2: Targeted long-term support to tax audit and tax investigation functions (long-term resident advisor)

Tax audit and tax investigations functions

The technical assistance provided in tax audit and tax investigation functions involved technical advice and support on building capacity in the audit Directorate, the High Wealth Individual Audit Centre and the Large Taxpayer Audit centre. This was mainly provided through tailor-made trainings and workshops. The aim of the workshops was to explore the practical experiences of the auditors of the IAPR regarding the Greek audit process on businesses in order to identify gaps in the Greek audit process concerning legal persons, and chartering the best practice working methods and examples in relation to audit. This has created an awareness in the IAPR of the differences between the Greek audit practice and the best practice.

This resulted in a presentations on how the audit process currently works and how it could be improved, including “quick wins”, eg. improved notification. These were presented to the management of the IAPR. Besides, an analysis about the monitoring of VAT refund applications 2017 report from IAPR and a comparative analysis on available data from Denmark was presented. The implementation of these recommendations has started in the IAPR leading to improved capacity and increased tax compliance.

Implementation of indirect audit methods

The technical assistance supported the IAPR in the implementation of the materials, the inception of a report and recommendations for indirect audit methods (provided under DG REFORM’s SRSP project GR2016/112 in cooperation with Ernest and Young). Besides, the technical assistance participated the workshops on indirect audit methods and provided hands-on advices during the sessions. This resulted in an assessment of using limited number of all-day observations in a business in order to make an assessment for a longer period of time using the indirect audit methods and a pilot project on a risk area involving the use of IAM. In the long run, this action is expected to increase tax collection.

2.3.3 Output 3: Targeted long term support in the field of debt collection (long-term resident advisor)

Model Collection Centre

The technical assistance has steered and provided advice on the implementation of the Model Collection Centre, which aims at consolidating the collection function in centralised offices with the purpose of increasing efficiency in collection. The technical assistance has done so in cooperation with PWC (funded under another DG REFORM project running from the start of this project until March 2020). The technical assistance has especially provided support and advice when it comes to training of staff and reviewing the deliverables provided under the other project. Main focus was to implement lean as a working method in the model collection centre, but in general the work of the technical assistance has focused on starting up the centre and creating future legal and sound processes. The expert has especially provided support and advice concerning staff (profiles and qualifications), maintaining the culture taught by PWC and potentially expansions. The technical assistance has been very involved in identifying data requirements and data needs for the Model Collection Centre to run and achieve results. Besides, the following achievements can be named:

- Improvement of the processes pertaining to the write-off of uncollectible debt;
- Development of an action-plan on curbing the regular increase in public tax debt;
- Introduction of a case prioritisation system based on risk criteria;
- Promotion of rationalisation of enforcement measures by adopting a targeted methodology based on debtors’ profiles;
- Development of a plan for automating case management for insolvency purposes;
- Systematic advice for the implementation of e-garnishments;
- Harmonisation of the risk criteria for audits and collection;
- Development of Key Performance Indicators (KPIs) for debt collection;
- Identify ‘as-if’ and future ‘to-be’ processes for debt collection;
- Input on policy guidelines promoting voluntary compliance with the view to reduce an increase of new debts;
- Targeted advice for the improvement of the standard instalment scheme for tax debts;
- Training in lean methods to selected IAPR staff on the basis of a pre-defined debt collection process.

End to end collection IT system

The technical assistance has provided support and advice in preparing the new 'end to end' collection system. This has meant identifying needs and issues to be solved by the system. In the period of this contract, it has been handed over to an external developer. The IT system will in the future mean that the tax payers debt will be registered centrally – and not at every DOY. This will clean the communication to the tax payers, providing a better service, but also ensuring a more stable and aligned tax debt collection.

Tax instalment scheme

The technical assistance has supported and provided advice in the implementation of a new tax instalment scheme. The instalment scheme is the foundation for all work provided by the Model Collection Centre.

The expert brought in a lot of hands-on advice from his home administration, and outlined all potential risks. The instalment scheme was targeted to be easy administrate for the IAPR, but this also means that it is simplified. However, there is room to further develop it in the long run as the IAPR and the debt Collection Centre gets more experienced.

2.3.4 Output 4: Targeted long term support in the field of smuggling of excisable goods (long-term resident advisor)

Intelligence

Under the previous Grant, an Intelligence Working Group (IWG) was set up to critically review how Customs handles intelligence with the purpose of improving and modernising the processes and procedures. The work of the working group is still ongoing and the technical assistance worked closely with the IWG. The IWG thoroughly reviewed current practices and implemented some innovative initiatives, mainly based on the Police and HMRC models. It has formulated a much more concise type of intelligence reporting system that contains easily understood handling codes for precise dissemination. The technical support has worked with D33 (Directorate for risk analysis and strategic planning of customs controls) to have the extant legislation and the domestic Customs Code amended to allow for controlled deliveries of excisable goods; another legislative gap.

The IWG's has prepared a final report, where the technical assistance has given extensive written feedback, suggesting that the report should be presented in a structured, concise manner to ensure its impact can be fully understood and its content assimilated quickly. All the advice offered has been readily accepted.

Both the DG Customs and the Governor of the IAPR have been persuaded that intelligence is a key area. Technical assistance has been negotiating with HMRC to provide intelligence analyst training and prepared a business case in support of this. This needs to be carried out in practice by the HMRC

The work on intelligence has resulted in turning Customs Intelligence into a modern organisation with effective, contemporary working practices, however these practices still needs to be adopted across the entire IAPR.

Mobile Units (KOE)

The technical assistance has advised and assisted with the formation and organisation of the new EYTE Directorate. This included a re-organisation of the KOE. In this context, the technical assistance has visited three KOE units to gather first-hand information. The EYTE was on the ground of 1st of

January 2020.

The technical assistance has assisted in forming the KOE Working Group where participants have been identified. The working group will coordinate and assess the work of the KOEs and the achieved results. It will form the strategy for the KOE. However, the staffing of each KOE is individually assessed.

In order to improve the quality of and consistency across the KOEs' work, training material from French Customs has been reviewed and used to formulate standard operating procedures for KOEs. This will make them more efficient. Besides, this is important overall for the IAPR's image, since the KOEs will be responsible for any investigation and enforcement activity overall. Besides, fully functioning KOEs are an important component of the IAPR's anti-smuggling strategy.

To further support this, the technical assistance planned and introduced the introduction of notebooks for the KOE officers (starting as a pilot project for one KOE). A guidance (to be handed out) in the use has been produced and training materials has been provided. The notebooks will reduce bureaucracy and improve effectiveness of the KOEs.

Operational Co-Ordination Centre (SEK)

SEK has performed well in its initial operational period, being very busy at the operational level and achieving good results. It is clear that the technical support is achieving its results. E.g. in October, SEK was involved in three big operations (two tobacco and one fuel), which resulted in five arrests and seizing 127,000 cigarettes. In November, SEK coordinated a very large tobacco operation where 2.5 tons was seized, preventing a duty loss of EUR 1.53 million.

The technical assistance has continued its work liaising with the DG Customs, the Governor's Office, and the Office of the Deputy Finance Minister, and continuing providing advice and support of technical hands-on support. This is done by organising relevant training seminars, providing advice on the organisation of SEK and ensuring their role and effectiveness. Besides, the technical assistance has been very involved in preparing discussion documents, to ensure the new amended SEK legislation delivers the best outcomes for the unit. The purpose was to ensure an effective role, facilitate greater stability that in turn should enhance operational effectiveness, and ensure a joined approach to tax evasion and smuggling.

Fuel Smuggling

Fuel smuggling is a significant problem in Greece. The technical assistance has detected this issue and has supported the IAPR and DG REFORM in preparing a project to design a public awareness campaign (funded by DG REFORM and provided by GOPA). The technical assistance has provided information on the Greek context and before the settlement of the project been the link between all parties. The expected result of the technical support is to increase awareness of the issues fuel smuggling has on tax compliance, public finances and environmental/health issues.

Legislative Changes

The technical assistance has provided technical support and advice in the preparation of several legislative changes that would allow Customs to use surveillance, human sources of intelligence and controlled deliveries. This has contributed to the implementation of "Law no. 4758 Restriction of smuggling" (December 2020). A lot of progress has therefore been made. The legislative changes will ensure the effectiveness of the IAPR, preventing tax evasion and improving tax collection.

Anti-Smuggling Strategy

Following the interest from the Prime Minister, the Deputy Finance Minister has been tasked with preparing an anti-smuggling strategy. The technical assistance has worked closely with the DG

Customs giving advice to ensure any measures to be introduced addresses the issues and advocates for an intelligence led approach (the strategy of the IAPR – see above), as well to ensure that SEK and KOE would be an integral part of the national anti-smuggling strategy. This would be the most progressive and efficient way to challenge smuggling. The technical support lead to the anti-smuggling strategy focussing on a broader scope (not only cigarettes smuggling, but also fuel and alcohol smuggling), lowering the cost to benefit ratio.

2.3.5 Output 6: Translation and interpretation service

Translation and interpretation services from Greek to English and other working languages of the European Commission was provided to the resident and short-term experts in the context of written and oral correspondence with the Greek authorities. This ensured a close cooperation between the experts and the Greek authorities, which lead to progress in the technical support provided by the experts, as well as clear understanding of needs and expectations from all parties involved in the project.

3 Implementation issues and risks, and measures to mitigate them

There were a number of risks associated with the implementation of the Action, which ENABEL tookn steps to identify and mitigate. See Table 2 below for information regarding external risks.

Table 2: External Risk Analysis and Mitigation Efforts

<i>Risk</i>	<i>Mitigation</i>
Lack of political support due to upcoming national elections in 2019.	<p><i>Encourage clear communication of the action's benefits and risks involved including impact on revenue collection. Involvement of the team monitoring progress of the Enhanced Surveillance Commitments.</i></p> <p>Lack of political support was initially considered to be a limiting factor for technical support provided by the experts. The implementation of the experts' recommendations and advices was delayed, but this is considered to be obtained.</p>
Lack of management support and commitment. Resistance from senior managers and managers and difficulty to mobilise management levels within the IAPR given other priorities	<p><i>The beneficiary will facilitate transparency and obtain support from the upper level (link to political support) while maintaining an open dialog on the action development and implementation.</i></p> <p>This risk was mitigated by including continual education and training for the staff as part of the experts' work. The risk was also mitigated through a close co-operation between the resident advisors with managers of the IAPR.</p>
Lack of capacity to obtain results. The IAPR absorption capacity is a risk due to the extensive reform agenda & strategic plan implementation and other priorities	<p><i>The Beneficiary team will encourage greater flexibility and more inclusive ownership of reform within the IAPR by extending participation in project actions to operational managers.</i></p> <p>The risk was mitigated by well-designed technical support that mobilised the managers and staff of the IAPR. The experts, in cooperation with the IAPR, identified the most urgent needs in the core functions of the administration and which key areas to focus on. The experts could then ensure, that their advices were implemented in ordered according to priority considering available capacity of the IAPR.</p>

<i>Risk</i>	<i>Mitigation</i>
<p>Delays in mobilising the EU MSs' Revenue Administration specialised capacity.</p> <p>Difficulty to mobilise relevant sectorial expertise for the Revenue Administration TS effort, given high workload and reduced resources in EU MSs' tax and customs administrations as well as short period notices</p>	<p><i>The Beneficiary team will anticipate and plan needs while developing a strong expert network in close co-operation with DG REFORM and the EU MSs' tax and customs administrations. Developing framework agreements with EU MSs' Revenue Administrations. Possibilities to target other sources of expertise (e.g. international consulting companies) - Adapt organisation and agenda of workshops, trainings and seminars.</i></p> <p>The risk was mitigated through cooperation with DG REFORM and the mobilisation of the channels of communication of the European Commission and other international organisations, as well as the Beneficiary's own network of expertise.</p>
<p>Delays in mobilising the IAPR internal specialised capacity and possible delays due to IAPR resource constraints</p>	<p><i>ENABEL is committed to promote realistic level of ambition and a suitable prioritisation of projects and actions.</i></p> <p>The risk was mitigated. The IAPR senior management identified appropriate and specialised staff of the IAPR who cooperated closely with the technical support providers.</p>

3.1 Project Assessment

Project Objective

Objective	Verifiable Indicators	Comments on Achievements
The modernisation and improved functioning of the IAPR, especially of the core functions of this administration, to deliver sustainable public finances that support growth and jobs in the context of the Post-Program Enhanced Surveillance Regime.	<p>Tax and customs Collection, audit decisions and compliance of taxes improved.</p> <p>Quality of service to taxpayers and economic operators and taxpayer compliance costs.</p> <p>Relevant implementation regulation adopted.</p> <p>Standardised key functions and processes and improved transparency in place.</p>	<p>The TS under this Grant Agreement has together with (SRSS/S2019/062) contributed to achieve the overall objectives of the action, and progress has been made across a range of areas. Levels of cooperation between various directorates are much improved thanks to TS intervention, e.g. the annual training plan is more targeted to the needs of other Directorates in tax and customs, debt collection, and audit services.</p> <p>The Greek authorities have implemented new legislation, e.g. new circular about audit procedures with indirect audit methods for legal persons. (Government Gazette Second Issue, 27 - 01-2020 no. 88, no. A. 1008) and "Law no. 4758 Restriction of smuggling".</p> <p>The TS has contributed to the implementation of new standardised working methods (LEAN) and to the formation and organisation of the new EYTE Directorate. The TS has further contributed to the results of several big operations by SEK; e.g. in October, SEK was involved in three big operations (two tobacco and one fuel), which resulted in five arrests and seizing 127,000 cigarettes. In November, SEK coordinated a very large tobacco operation where 2.5 tons was seized, preventing a duty loss of EUR 1.53 million.</p>

3.2 Project Outcomes

This project has one main outcome: Technical Support provided in a demand driven way to the IAPR in selected areas of revenue administration (such as institutional reforms, tax audit and tax investigation, debt collection, fight against smuggling of excisable goods, customs etc.):

Outcome Description	Verifiable Indicators of achievements	Completion Date	Comments on Achievements
<p><u>Output 1:</u></p> <p>Support in the field of institutional reforms (Long-term resident advisor)</p>	<p>Regular coordination meetings with the Greek Authorities and IAPR providers.</p> <p>Assistance in the testing of EU HRM Agility & Readiness Model.</p> <p>Provision of a note on the organisation of legal services in several European revenue administrations.</p>	Oct - Dec 2019	

Outcome Description	Verifiable Indicators of achievements	Completion Date	Comments on Achievements
	<p>Participation to EU activities, mainly to assess the feasibility and modalities of implementation of the tax policy measures.</p> <p>Assistance to drafting PIT tax credit instead of exemption from VAT on new constructions.</p> <p>The Governor's Office and the DG HR acknowledge the idea to set up a training strategy.</p> <p>The Directorate HR and Governor's Office provide orientations about a "modular" training offer along TA lines.</p> <p>Provision of a plan to Governor's office to set up working groups to create training modules syllabus fit to the needs of the Core functions Directorates and pragmatically feasible by the Academy.</p> <p>Matching Training Need Diagnosis Process and external constraints.</p> <p>Provision of a Strategic Note to the Governor and to the DG HR that presents a strategic-level 3-fold plan.</p> <p>Integrating the Greek tax academy into a "Mediterranean" network.</p> <p>Workshop on Service Provision.</p> <p>Set up of Frequent Asked Questions Working Groups (FAQs WGs).</p> <p>Drafting of a memo to set up a full-fledged Directorate of Compliance including Service Provision.</p> <p>Provision to GO and DG Tax Office of a note related to the main difficulties encountered by the Directorate Organisation when drafting Procedures and FAQ and some recommendations.</p> <p>Presentation, based on slides, to the DG Tax to explain to him what Service Provision may globally mean (edition/delivery/conversation).</p> <p>Advise on a data-centric approach to set up Knowledge Management that would permit transforming the present absence of KM system into a strength allowing a cultural revolution throughout the IAPR's silos</p> <p>TA monthly reports.</p>		

Outcome Description	Verifiable Indicators of achievements	Completion Date	Comments on Achievements
<u>Output 2:</u> Targeted long-term support to tax audit and tax investigation functions (long-term resident advisor)	<p>Workshops/trainings implemented by the TA.</p> <p>Statistical analysis of the audits conducted by the group of auditors that participated in the workshops.</p> <p>Presentation of the best practise in audit. Participation and advice on the Transfer Pricing workshops.</p> <p>These recommendations on Indirect Audit methods were implemented in the new circular about audit procedures with indirect audit methods for legal persons. (Government Gazette Second Issue, 27 - 01-2020 no. 88, no. A. 1008).</p> <p>Recommendations regarding the process of the investigations (Services for Investigations & Safeguarding of Public Revenue (Y.E.D.D.E.))</p> <p>TA monthly reports.</p>	Oct – Dec 2019	
<u>Output 3:</u> Targeted long term support in the field of debt collection (long - term resident advisor)	<p>Amount of money owed which is identified and collected.</p> <p>A debt collection strategy is developed.</p> <p>Circulars and methodologies developed for the development of robust debt management system which prioritises collectible debt and enables the write offs of uncollectible debts.</p> <p>Key performance indicators for debt collection identified and monitored.</p> <p>Appropriate responses developed to address efficiency gaps.</p> <p>Screening and risk assessment of current legislation, regulations, completed and key recommendations delivered for improvement.</p> <p>Targeted tools and solutions are developed to enable business to enter into debt restructuring arrangements with the IAPR and other creditors.</p>	Oct 2019 – Mar 2020	

	TA monthly reports.		
<u>Output 4:</u> Targeted long term support in the field of smuggling of excisable goods (long-term resident advisor)	<p>Setup of an Intelligence working group.</p> <p>Implementation of innovative initiatives, mainly based on the Police and HMRC models.</p> <p>Implementation of intelligence reporting system with easily understood handling codes for precise dissemination.</p> <p>Amendment of the extant legislation and the domestic Customs Code to allow for controlled deliveries of excisable goods.</p> <p>Negotiating with HMRC to provide intelligence analyst training and prepared a business case in support of this.</p> <p>Organisation of the Customs into a modern organisation with effective, contemporary working practices.</p> <p>Formation and organisation of the new EYTE Directorate.</p> <p>Forming of the KOE Working Group.</p> <p>Introduction of notebooks for the KOE officers.</p> <p>Several big operations for SEK: E.g. in October, SEK was involved in three big operations (two tobacco and one fuel), which resulted in five arrests and seizing 127,000 cigarettes. In November, SEK coordinated a very large tobacco operation where 2.5 tons was seized, preventing a duty loss of EUR 1.53 million.</p> <p>Preparation of a project on developing a public awareness campaign on smuggling.</p> <p>Preparation of an anti-smuggling campaign and ensuring the roles of KOE and SEK in the work.</p> <p>This has contributed to the implementation of "Law no. 4758 Restriction of smuggling".</p>	Aug 2019 – Feb 2020	Attached to this report is a list of relevant supporting documents and notes of meetings which are indicative of the technical assistance provided to the Customs General Directorate.
<u>Output 6:</u> Translation and	Translation and interpretation services	Aug 2019 –	Translation and

interpretation service	from Greek to English and other working languages of the EC in the context of deliverables, written and oral correspondence with the Greek authorities.	Mar 2020	interpretation services to the resident experts.
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4 Financial overview

4.1 Budget utilisation

A-Total budget of the Action	349,826.00 EUR
B-First pre-financing	244.878,00 EUR
C- Further pre-financing instalment	104.948,00 EUR
D-Total direct eligible costs (maximum 326.810,00 EUR)	326.350,06 EUR
E-Total indirect eligible costs (7% of D)	22.844,50 EUR
F-Final Amount for the EU Contribution to be paid to Enabel = (D+E) - (B+C)	-631,00 EUR

For more detailed information, see the financial report attached to this narrative report.

4.2 Contact information of counterpart authorities

Revenue Administration

Name: Governor Mr. George Pitsilis

Agency: Independent Authority for Public Revenue

E-mail: gj.pitsilis@aade.gr