

LEGISLATURE: Unicameral

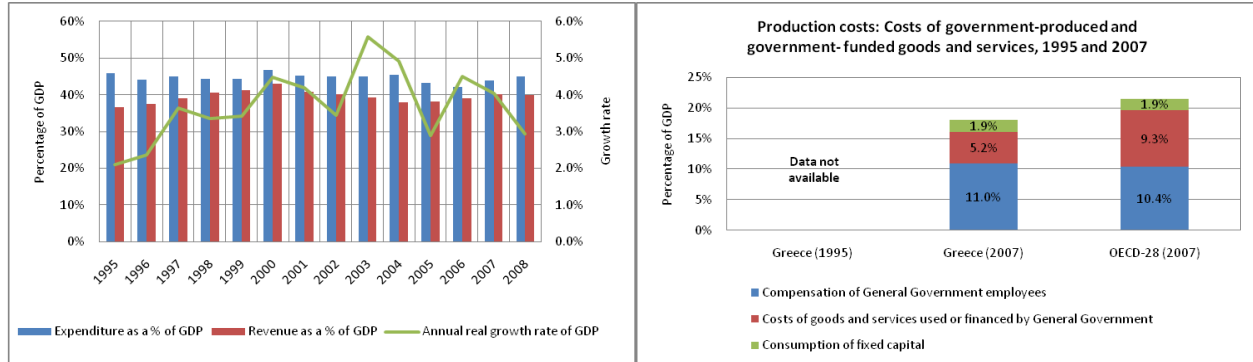
- Upper house: none
- Lower house: elected using Proportional Representation

SYSTEM OF GOVERNMENT: Parliamentary

- No. of ministries: 16 (2008)
- No. of ministers: 16 (2008)

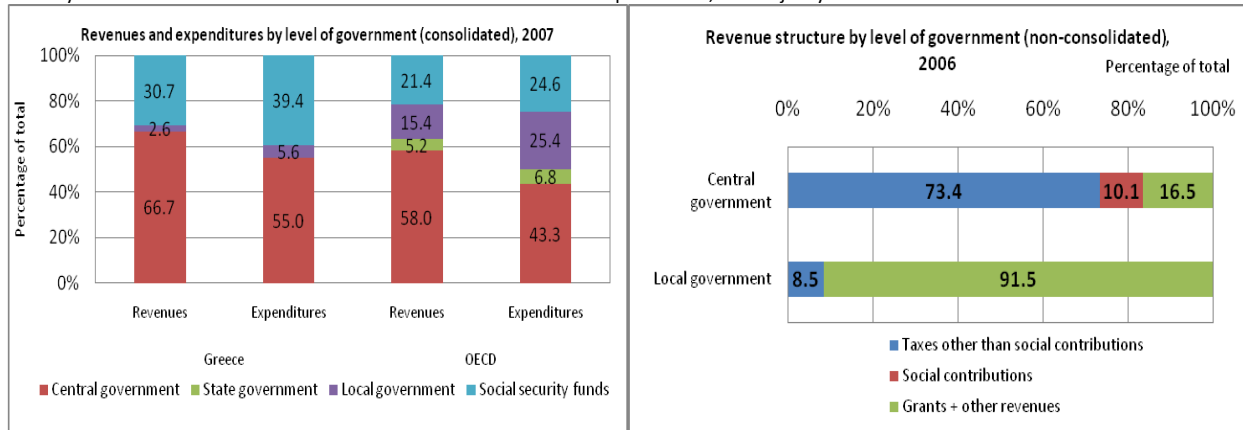
STATE STRUCTURE: Unitary

Expenditures have been over 40% of GDP and revenues just under that level over the past years. The Greek government has been operating at a deficit of 3% to 7% of GDP since 2000. Public debt is now close to 100% of GDP, and the fiscal deficit rose from 3.1% to 5% of GDP between 2006 and 2008 despite a buoyant economy. The Greek government recently announced a fiscal consolidation plan which includes a cut in civil service employment, a freeze in government wages, a 10% cut in "elastic" budget outlays and a one-off levy on high incomes. Production costs of government-funded goods and services as a share of GDP are lower than the OECD average, and Greece relies more heavily on government employment than private sector producers and service providers.



Source: OECD National Accounts and Economic Outlook. [\[Revenues\]](#) [\[Expenditures\]](#) [\[Production costs\]](#)

The Greek government is highly centralised. Central government collects almost 67% of revenues and accounts for about 55% expenditures. Local governments represent a very small portion of total expenditures, and receive most of their revenues as grants from the central government. Social security funds account for over 30% of revenues and almost 40% of expenditures, the majority of which are health related.



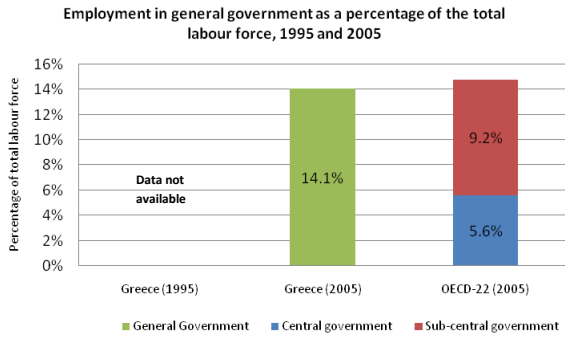
Source: OECD National Accounts [\[Revenues\]](#) [\[Expenditures\]](#)

Compared to other OECD countries, the Greek government spends a much smaller portion of resources on education (5.5% vs. 12.9%) and a larger share of resources on social protection and general public services. In contrast to other OECD countries, local governments in Greece do not spend a large proportion of resources on health or social protection. These activities are predominately funded by social security funds. Instead, almost half of local government expenditures go toward general public services, with local governments also predominately responsible for environmental protection; housing and community amenities; and recreation, culture and religion. The central government is responsible for defence and public order and safety, with the largest share of resources going to economic affairs and general public services.

Expenditure structure by function of government (non-consolidated), 2006	Greece		OECD-26	EU-19
	Central government	Local government	General government	General government
Share of total				
General public services	22.8%	45.9%	19.2%	13.9%
Defence	7.5%	0.0%	5.4%	3%
Public order and safety	3.7%	0.0%	2.6%	3.7%
Economic affairs	37.6%	15.2%	10.5%	10.1%
Environment protection	0.4%	17.2%	1.4%	1.5%
Housing and community amenities	0.6%	7.4%	0.9%	1.9%
Health	1.3%	0.0%	11.2%	14.1%
Recreation, culture and religion	0.7%	3.7%	0.8%	2.5%
Education	7.7%	3.0%	5.5%	11.6%
Social protection	17.8%	7.5%	42.4%	37.7%

Source: OECD National Accounts [\[General government\]](#) [\[Central, state and local\]](#)

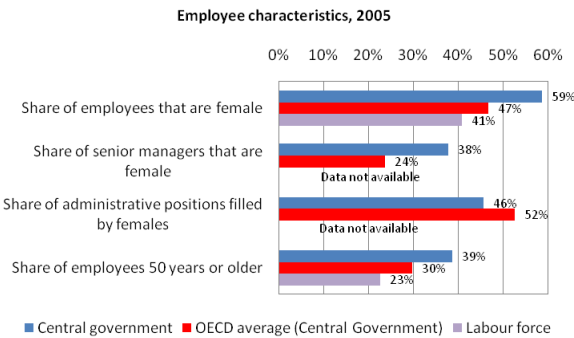
GOVERNMENT EMPLOYMENT: SIZE AND CHARACTERISTICS



In 2005, government employment in Greece amounted to 14% of the total labour force, very close to the OECD average.

Source: OECD Comparison of Employment in the Public Domain Survey and Labour Force Survey

[\[General government employment\]](#) [\[Distribution by level\]](#)

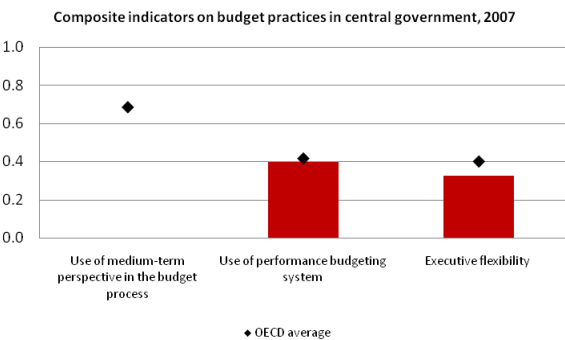


Females represent a substantially larger proportion of the Greek central government workforce than the general labour force, exceeding also the OECD average of 47%. Within central government, females are somewhat better represented in administrative positions than in senior managerial posts. However, the Greek central government is a leader among OECD countries in terms of the representation of women in senior management positions. The Greek central government faces a serious ageing problem. While this is a potential threat to its ability to maintain capacity and continuity, it can also provide an opportunity to decrease the size of the civil service, reform positions and/or recruit staff with different skill sets.

Source: OECD Strategic HRM Survey and Labour Force Survey

[\[Female participation\]](#) [\[Ageing\]](#)

BUDGET



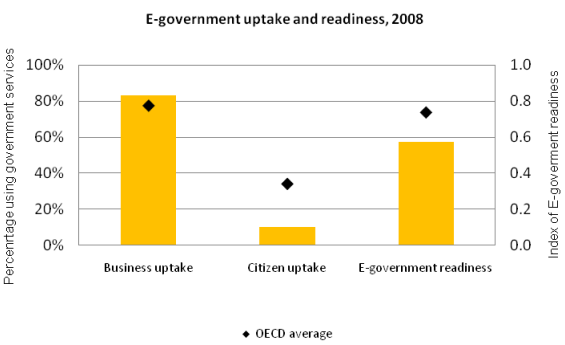
Greece is undertaking a fundamental review of its budget process including a complete revision of its organic budget law. Beginning with the 2008 budget, Greece has undertaken important reforms with the aim of making the budget a more modern strategic policy document. However, Greece has not incorporated a medium-term perspective in the budget process. The Greek budget is very detailed and input oriented. While Greece has developed some performance data, it is rarely used in the budget process. As appropriations are tied to specific economic spending categories, managers have little flexibility to organise their activities as efficiently as possible (*i.e.* to decide on the input mix).

Source: OECD International Budget Practices and Procedures Database.

[\[Medium-term\]](#) [\[Performance budgeting\]](#) [\[Executive flexibility\]](#)

OECD Journal on Budgeting: www.oecd.org/gov/budget/journal

E-GOVERNMENT



Overall, Greece exhibits a lower degree of e-government readiness than its OECD peers, largely due to relatively low levels of broadband penetration which may also be one reason why citizen uptake of e-government service remains lower than in other OECD countries. However, a significant amount of businesses use e-government services, reflecting the steps that the Greek government has taken to put information online. The Greek government has attempted to cross the digital and social divide among citizens by opening multi-channel citizens service centres (KEPs) which use ICT on the back end to improve the speed and quality of services.

Source: United Nations E-Government Readiness Knowledge Base, Eurostat.

[\[Readiness\]](#) [\[Uptake\]](#)

[\[OECD E-Government Publications\]](#)

Requirements for Regulatory Impact Analysis (RIA) processes used by central governments

	2005	2008
Quality reviewed by body external to Ministry preparing rules	No	Yes
Required for draft primary laws	Always	Always
Required for draft subordinate regulations	Only for major regulation	Only for major regulation
Required to quantify costs	Always	Always
Required to quantify benefits	Always	Always
Required to publicly release results	No	No

Extent of programs for reducing administrative burdens at the central level of government

	1998	2005	2008
Explicit programme exists	Yes	Yes	Yes
Includes quantitative targets	No	No	Yes

The 2005 and 2008 surveys of Indicators of Systems of Regulatory Management examined the extent of governance practices designed to improve the quality of regulation in OECD countries. Among the most important practices are: the use of regulatory impact analysis (RIA) to assess the cost and benefits of new regulation and the institutional oversight of the quality of regulations; and the design of programs to reduce the costs of administrative activities on business and citizens.

Greece has made progress to advance work on better regulation, particularly in the area of measuring and reducing administrative burdens. The Greek government has set a national burden reduction target of 25% by 2013 and has developed a modified version of the Standard Cost Model. It has also completed a baseline measurement of administrative burdens relating to the business start-ups area. Work is also advancing to develop new systems to improve co-ordination and implementation of better regulation.

Source: OECD Survey on Regulatory Management.

[\[RIA\] \[Administrative simplification\]](#)

Regulatory Management Indicators: www.oecd.org/regreform/indicators

EU 15 reviews on Regulatory Reform: www.oecd.org/gov/regref/eu15

Background reports on Regulatory Reform: www.oecd.org/regreform/backgroundreports

Production costs are a subset of total government expenditures, excluding government investment (other than depreciation costs), interest paid on government debt and payments made to citizens and others not in exchange for the production of goods and services (such as subsidies or social benefits). Production costs include compensation costs of general government employees, the costs of goods and services produced by private entities funded by government (intermediate consumption and social transfers in kind via market producers), and the consumption of fixed capital (indicating the level of depreciation of capital).

Structure of government expenditures: Data on expenditures are disaggregated according to the Classification of the Functions of Government (COFOG), which divides government spending into 10 functions. More information about the types of expenditures included in each function can be found in Annex B of *Government at a Glance 2009*.

Employment characteristics: The OECD averages refer to the following number of countries:

- Share of employees that are female: OECD-23
- Share of senior managers that are female: OECD-22
- Share of administrative positions filled by females: OECD-17
- Share of employees 50 years or older: OECD-25

HRM Composites: The indexes range between 0 (low level) and 1 (high level). Details about the theoretical framework, construction, variables and weighting for each composite are available at: www.oecd.org/gov/indicators/govata glance.

- **Delegation index** gathers data on the delegation of determining the number and types of posts needed in an organization, compensation levels, position classification, recruitment and dismissals, and conditions of employment. This index summarises the relative level of authority provided to line ministries to make HRM decisions. It does not evaluate how well line ministries are using this authority.
- **Type of recruitment system index** includes policies for becoming a civil servant in general (*e.g.* competitive examination or direct application) and for recruiting senior civil servants, and systems for appointing entry-level positions and for allocating posts across departments. This index describes a spectrum of recruitment systems in place in OECD member countries. Countries scoring closer to 0 have career-based systems whereas countries scoring closer to 1 have more position-based systems. The index does not evaluate the performance of difference systems.
- The **performance assessment index** indicates the extent to which it is used in career advancement, remuneration and contract renewal decisions, based on the views of survey respondents. This index provides information on the formal use of performance assessments in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **performance-related pay index** looks at the range of employees to whom PRP applies and the maximum proportion of base pay that PRP may represent. This index provides information on the formal use of performance related pay in central government, but does not provide any information on its implementation or the quality of work performed by public servants.

Budget Composites: The indexes range between 0 (low level) and 1 (high level). Details about the theoretical framework, construction, variables and weighting for each composite are available at: www.oecd.org/gov/indicators/govata glance.

- The **medium term budget perspective index** contains information on whether countries develop and present multi-year expenditure estimates in the annual budget, the number of years the estimate covers, how often estimates are updated; and whether there are multi-year targets or ceilings and how often these are revised. This index measures the extent to which countries have developed a medium-term perspective in their budget process. However, it does not evaluate whether this perspective has been effective at achieving budget outcomes such as fiscal discipline and allocative efficiency.
- The **performance budgeting index** contains information on what type of performance information is developed; the processes for setting goals and targets; the process for monitoring and reporting on results; and if and how performance information is used in budget negotiations and decision making processes by key actors including the central budget authority, the line ministries and politicians. This index examines the degree to which OECD member countries have put a performance budgeting system in place. However, it does not measure how successfully these systems operate in practice.
- The **executive flexibility index** contains the following variables: the extent to which lump sum appropriations are used; the number of line items in the budget; agencies' ability to carry-over unused budget allocations between years, borrow against future appropriations, reallocate between line items and keep efficiency gains; and constraints on the executive's ability to increase spending during budget execution. This index looks at the different levels of flexibility provided to the executive during budget execution. However, it does not measure whether this flexibility is used effectively or appropriately.

E-Government:

- The **UN e-government readiness index** ranges between 0 (low level) and 1 (high level). It measures the capacity of governments to implement and develop e-government services. Developed within the framework of the UN global e-government survey, the indicator consists of three sub-indices: (1) the web measure index, (2) the telecommunication infrastructure index and (3) the human capital index. The web measure index ranks countries based on the coverage, sophistication and availability of e-services and e-products. The index categorizes countries as having either an emerging, enhanced, interactive, transactional, or networked e-government presence. The telecommunication infrastructure index is a weighted average of 5 measures of ICT infrastructure capacity: PCs/100 persons, Internet users/100 persons, Telephone lines/100 persons, Broad-banding/100 persons and Mobile phones/100 persons. The human capital index is a weighted average of the adult literacy rate (two-thirds weight) and the combined primary, secondary and tertiary gross enrolment ratio (one-thirds weight).
- The e-government take-up by citizens indicator measures the percentage of individuals (aged 16-74) who used the Internet to interact with public authorities in the 3 months preceding the survey. Data are collected through Eurostat's annual Community Survey on ICT Usage in Households and by Individuals, and are only available for European countries.
- The e-government take-up by businesses indicator measures the percentage of enterprises using the Internet to interact with public authorities. Only businesses with 10 or more employees are included. Data are collected by national statistical offices based on Eurostat's annual Model Survey on ICT Usage and E-commerce in Businesses.