

**LAPSE OF
TIME**

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June 24, 2021

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Greece—Staff Report for the 2021 Article IV Consultation—Informational Annex**

Board Action:	Executive Directors' consideration on a lapse of time basis.
Publication:	Yes*
Questions:	Mr. Botman, EUR (DBotman@imf.org) Ms. Mendez, EUR (ext. 39729)
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***Unless an objection from the authorities is received prior to the conclusion of the Board's consideration, the document will be published.**



GREECE

STAFF REPORT FOR THE 2021 ARTICLE IV CONSULTATION—INFORMATIONAL ANNEX

June 23, 2021

Prepared By

European Department
(In Consultation with Other Departments)

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FUND RELATIONS

(as of May 31, 2021)

Membership Status: Joined December 27, 1945.

Exchange Rate Arrangements: Greece's currency is the euro, which floats freely and independently against other currencies. Greece has accepted the obligations of Article VIII, Sections 2, 3, and 4. As of April 30, 2021, it maintains an exchange system free of restrictions on payments and transfers for current international transactions, except for those measures adopted solely for security reasons, which have been notified to the Fund in accordance with the procedures of Decision 144 (52/51).

General Resources Account:

	SDR Million	Percent Quota
Quota	2,428.90	100.00
IMF's Holdings of Currency	3,365.86	138.58
Reserve Tranche Position	575.02	23.67

SDR Department:

	SDR Million	Percent Allocation
Net Cumulative Allocation	782.36	100.00
Holdings	11.79	1.51

Outstanding Purchases and Loans:

	SDR Million	Percent Quota
Extended Arrangements	1,510.00	62.17

Latest Financial Arrangements:

Type	Date of Arrangement	Expiration Date	Amount Approved (SDR million)	Amount Drawn (SDR million)
EFF	Mar 15, 2012	Jan 15, 2016	23,785.30	10,224.50
Stand-by	May 09, 2010	Mar 14, 2012	26,432.90	17,541.80

Projected Payments to the Fund:

(SDR Million, based on existing use of resources and present holdings of SDRs)

	Forthcoming				
	2021	2022	2023	2024	2025
Principal		146.72	1,112.15	251.13	
Charges/Interest	15.87	16.25	9.95	2.17	0.40
Total	15.87	162.97	1,122.10	253.30	0.40

Article IV Consultations:

The last Article IV was concluded on November 13, 2019 following consultation discussions that ended on September 27, 2019. Greece is on the standard 12-month consultation cycle.

Resident Representative:

The Resident Representative departed his position in July 2020. The local office was closed in December 2020.

Technical Assistance:

Department	Purpose (V=Virtual)	Date
STA	Government Finance Statistics	November 2016
FAD	IT Strategy Development in Tax Administration	December 2016
FAD	Institutional Reforms in Tax Administration	January 2017
FAD	IT Strategy Development in Tax Administration	February 2017
STA	Government Finance Statistics	February 2017
FAD	Chart of Accounts, Cash Management and Reconciliation	March 2017
STA	Government Finance Statistics	May 2017
FAD	Roadmap for IT Strategy Implementation in Tax Administration	August 2017
FAD	Restructuring Tax Debt	September 2017
FAD	Strategic Planning in Tax Administration	October 2017
FAD	Implementing a Treasury Single Account and Chart of Accounts (Roehler)	November 2017
FAD	Roadmap for IT Strategy Implementation in Tax Administration	January 2018
FAD	Assessment of Tax Administration	February 2018
FAD	Follow-up on Tax Administration Reforms	February 2018
FAD	Chart of Accounts, Accounting and Treasury Single Account Reforms (Roehler)	February 2018
STA	Government Finance Statistics	February 2018
FAD	Developing Communication Procedures in Tax Administration	March 2018
FAD	Performance Targets in Tax Administration	March 2018
FAD	Roadmap for IT Strategy Implementation in Tax Administration	April 2018
FAD	Cash Management Legislation and Regulation	June 2018
FAD	Performance Budgeting	July 2018
FAD	Revenue Administration: Enhancing Operating Practices (Russell)	November 2018
FAD	Revenue Administration: Development of IT Capability (Poulin)	November 2018
FAD	Chart of Accounts and Accounting Reforms (Renteria) (V)	February 2019
FAD	Revenue Administration: Modern Tax Administration (Sorensen)	February 2019
FAD	Revenue Administration: Institutional Reforms/ IT Capability (Coyne)	April 2019
FAD	Developing Compliance Risk Management Capacity (Holloway)	April 2019
FAD	Revenue Administration: Development of IT Capability (Poulin)	May 2019
FAD	Revenue Administration: VAT Gap Analysis (Hutton)	August 2019
FAD	Streamlining Government Payment Processes	February 2020
FAD	Revenue Administration : Management Framework (Roberts) (V)	March 2020
FAD	Chart of Accounts and Accounting Reform Strategy (Makaronidis–peripatetic STX) (V)	May 2020–May 2021
FAD	Revenue Administration : Development of IT Capability (Poulin) (V)	December 2020

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FAD	Public Financial Management: Workshop on Enterprise Resource Planning Financial Accounting Central Administration (GAO) (V)	March–April 2021
FAD	Public Financial Management: pre-PIMA (Renteria Rodriguez)	July–August 2020
FAD	Public Financial Management: HQ Resident Advisor Briefing (De Clerck) (V)	September 2020
FAD	Tax and Customs Administration: IT Modernization Follow-up (Poulin)	November–December 2020
FAD	Public Financial Management: Chart of Accounts: Resident Advisor (Kirchmann) (V)	September 2020–August 2021

STATISTICAL ISSUES

As of May 31, 2021

I. Assessment of Data Adequacy for Surveillance	
<p>General. Data provision has some shortcomings but is broadly adequate for surveillance. The quality of Greek statistics has improved since the establishment of the independent Hellenic Statistical Authority, ELSTAT, in 2010.</p>	
<p>Real sector. Quarterly and annual national accounts are compiled in accordance with the <i>ESA 2010</i> standard. The CPI is chained annually, and weights are being renewed every year on the basis of the most recent available data from the Household Budget Survey.</p>	
<p>Fiscal sector. General government non-financial accounts are compiled in accordance with <i>ESA 2010</i> by ELSTAT and are scrutinized and validated by Eurostat on a regular basis. In 2019, the Bank of Greece (BoG) revised the general government financial accounts data to resolve the quality and consistency issues which had been observed since 2015. This enabled Eurostat to validate and publish Greece's general government financial accounts after four years. Greece reports high frequency and annual GFS data for general government to STA through the Eurostat GFS convergence project with the IMF.</p>	
<p>Trade and balance of payments. Since January 2015, data are provided according to the IMF's sixth edition of the <i>Balance of Payments Manual</i>. Historical data based on the new methodology are available from January 2002. Since July 2015, the Bank of Greece has been using ELSTAT's trade statistics instead of the settlements data used until June 2015 inclusive. Therefore, the goods trade balance statistics reflect customs-based or other administrative data, as collected or estimated by ELSTAT. Historical data based on the methodology is available from January 2013. In November 2018, the Bank of Greece introduced a change to the compilation of sea transport accounts. Instead of settlements data, the Bank now uses data from international shipping databases and administrative sources.</p>	
<p>Monetary and Financial Statistics. Data on the central bank balance sheet and on the aggregated balance sheets of other depository corporations are available from the Bank of Greece's website. The data are also reported to the IMF through the ECB using standardized report forms: 1SR for the central bank (1SR) and 2SR for other depository corporations (ODCs). Data on other financial corporations (OFCs) is not compiled. Greece reports data on some key series and indicators of the Financial Access Survey (FAS), including the two indicators adopted by the UN to monitor Target 8.10 of the Sustainable Development Goals (SDGs).</p>	
<p>Financial sector surveillance. Data on financial soundness indicators (FSIs) are compiled and reported to IMF on a quarterly basis and covers deposit takers, other financial corporations, nonfinancial corporations and households.</p>	
II. Data Standards and Quality	
<p>Greece subscribed to the Fund's Special Data Dissemination Standard (SDDS) on November 8, 2002.</p>	

Greece: Table of Common Indicators Required for Surveillance (As of May 30, 2021)					
	Date of Latest Observation	Date Received	Frequency of Data ⁷	Frequency of Reporting ⁷	Frequency of Publication ⁷
Exchange Rates	May 30, 2021	May 30, 2021	D	D	D
International Reserve Assets and Reserve Liabilities of the Monetary Authorities ¹	May 30, 2021	May 30, 2021	M	M	M
Reserve/Base Money	April 2021	May 31, 2021	M	M	M
Broad Money	April 2021	May 31, 2021	M	M	M
Central Bank Balance Sheet	March 2021	May 31, 2021	M	M	M
Consolidated Balance Sheet of the Banking System	April 2021	May 31, 2021	M	M	M
Interest Rates ²	May 2021	June 2, 2021	M	M	M
Consumer Price Index	April 2021	May 31, 2021	M	M	M
Revenue, Expenditure, Balance and Composition of Financing ³ – General Government ⁴	April 2021	June 4, 2021	M	M	M
Revenue, Expenditure, Balance and Composition of Financing ³ – Central Government	April 2021	June 4, 2021	M	M	M

Table 1. Greece: Common Indicators Required for Surveillance (concluded) (As of May 31, 2021)					
Stocks of Central Government and Central Government-Guaranteed Debt ⁵	2021Q1	May 19, 2021	Q	Q	Q
External Current Account Balance	March 2021	May 20, 2021	Q	Q	Q
Exports and Imports of Goods and Services	March 2021	May 20, 2021	Q	Q	Q
GDP/GNP	2020Q4	June 6, 2021	Q	Q	Q
Gross External Debt	2020Q4	March 31, 2021	Q	Q	Q
International Investment Position ⁶	2020Q4	March 31, 2021	Q	Q	Q
<p>¹Any reserve assets that are pledged or otherwise encumbered should be specified separately. Also, data should comprise short-term liabilities linked to a foreign currency but settled by other means as well as the notional values of financial derivatives to pay and to receive foreign currency, including those linked to a foreign currency but settled by other means.</p> <p>²Both market-based and officially determined, including discount rates, money market rates, rates on treasury bills, notes and bonds.</p> <p>³Foreign, domestic bank, and domestic nonbank financing.</p> <p>⁴The general government consists of the central government (budgetary funds, extra budgetary funds, and social security funds) and state and local governments.</p> <p>⁵Including currency and maturity composition.</p> <p>⁶Includes external gross financial asset and liability positions vis-à-vis nonresidents.</p> <p>⁷Daily (D), weekly (W), monthly (M), quarterly (Q), annually (A), irregular (I); and not available (NA).</p>					