



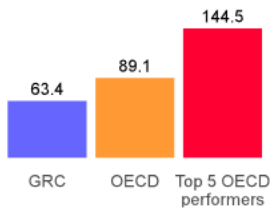
## Performance gaps

## Recommendations

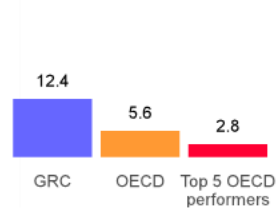
### Product and labour markets functioning

- Ongoing reforms are working to improve the business environment, but challenges remain, especially in the responsiveness of the justice system.
- Greece's economy is dominated by small firms with low productivity and limited growth potential, dragging overall productivity. Price competition remains low in many markets, while regulatory burdens to operate in some key sectors and to re-develop land impede new entrants. Non-performing loans, weigh on the banking sector's capacity to fund investment.
- Workers change jobs less often than in most OECD countries, yet the green and digital transitions will require many workers and firms to adapt their activities.
- Improve the legal system's effectiveness by simplifying administrative processes and communicating benefits of alternative dispute resolution mechanisms.
- Lower entry barriers, prioritising professional services, and simplify land zoning rules.
- Increase participation in quality active labour market policies and training, including across all sectors and regions affected by the green economy transition.

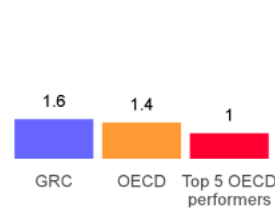
**Labour productivity**  
GDP per employee, USD  
2022



**Unemployment rate**  
%, 2022



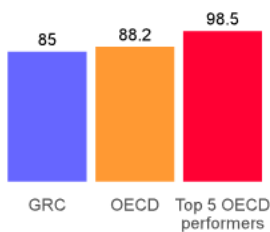
**Product Market Regulation Economy-wide**  
From least to most restrictive  
Index of 0-6, 2018 or latest available



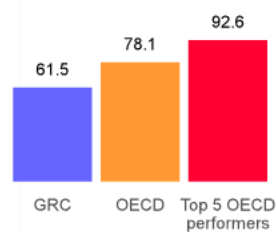
### Digital transition

- Public services are digitalising rapidly but progress in the private sector is slower due to weak investment in equipment, software, training and organisation, especially among the many small firms.
- Pursue digitalisation and administrative simplification across the public sector, focusing on reforming public procurement and work processes to develop skills and operate in digitalised environments.
- Implement Greece's Recovery and Resilience Plan 2.0, which includes several investments and other policy measures to improve digital infrastructure and support digitalization of firms.

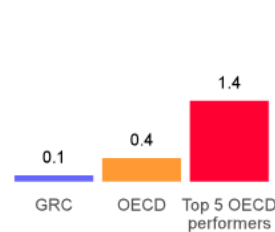
**Households with broadband Internet access at home**  
%, 2021 or latest available



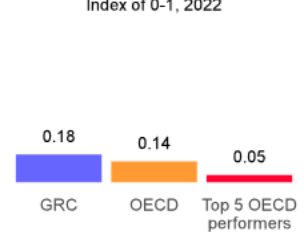
**Businesses with a website or home page**  
%, 2021 or latest available



**Business R&D expenditure in information industries**  
% of GDP, 2019 or latest available



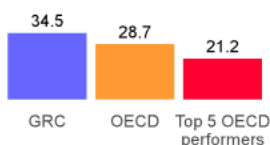
**OECD Digital Services Trade Restrictiveness Index**  
From least to most restrictive  
Index of 0-1, 2022



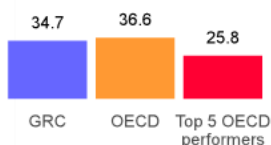
### Inclusiveness, social protection, and ageing

- Poverty, especially among the young and those out of work, is high.
- Inequality is mostly reduced through pensions. Transfers reduce poverty by less and do not address barriers to enter work.
- Family policy reforms are improving the support to caregivers but still lag behind many OECD countries. Employment rates, particularly for women and the young, remain low.
- Taper the withdrawal of social benefits more gradually for those entering work and introduce in-work benefits for low-wage workers.
- Promote women's participation in paid employment by encouraging the provision of more flexible work arrangements.
- Improve incentives to hire young workers with limited experience, by waving employers' social security contributions for new hires.

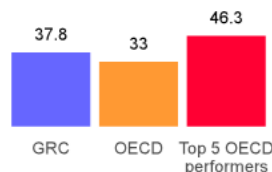
**Mean poverty gap after taxes and transfers**  
Line at 60% of median disposable income 2021 or latest available



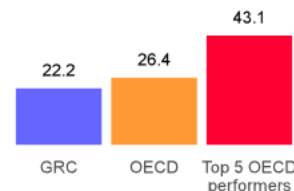
**Impact of socioeconomic background in PISA reading score**  
%, 2018



**Strength of redistribution**  
Differences in Gini coefficients between market & disposable income relative to coef. on disposable income %, 2021 or latest available



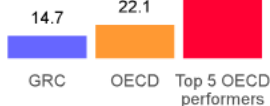
**Income levels provided by cash minimum-income benefits**  
% of median disposable income, 2021 or latest available



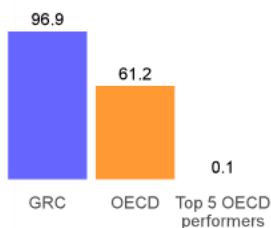
### Climate transition

- GHG emissions have declined but further progress is required. Greece's economy is more carbon intensive than most OECD economies. Large investments are needed to shift to renewable sources and adapt energy use, which the Greece 2.0 Recovery and Resilience plan takes steps to implement.
- Carbon prices are high on average but fragmented across fuel uses.
- Improving the energy efficiency of older housing will help contain energy consumption, cut emissions and reduce energy poverty.
- Once energy market prices stabilise, gradually raise prices for emissions not covered by the EU emission trading scheme to a floor that is consistent with reaching net zero.
- Mandate a timeline of tightening minimum energy efficiency standards, to be applied to all existing buildings by 2050.
- Substantially upscale support for renovations, by using greater private financing through interest-subsidised loans that can be repaid via energy savings.

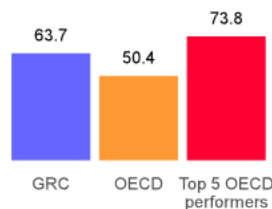
**Share of renewables in the energy mix**  
%, Average over 2019-21 or latest available



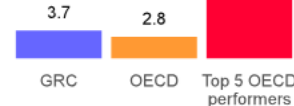
**Share of population exposed to more than 10 µg/m3 of PM2.5**  
%, Average over 2017-19



**Carbon pricing score**  
%, at EUR 30 per tonne CO2, 2018



**Environmentally-related government R&D budget**  
% of total government R&D 2021 or latest available



## Overall performance

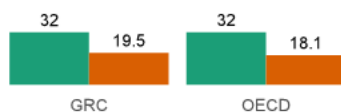
#### Economy

Thousands USD per capita 2022 or latest available  
■ Gross Domestic Product  
■ Household gross adjusted disposable income



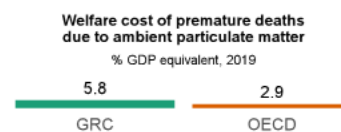
#### Inequality and poverty

2021 or latest available  
■ Gini coefficient after taxes and transfers (index of 0-100)  
■ Poverty rate, line at 60% of median disposable income (%)



#### Environment and climate

1 unit of GDP, 2021  
▼ 0.26 GHG emissions  
▼ 0.24 (OECD)





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