Part III.8 - Supplementary Information Sheet for the notification of an evaluation plan

Member States must use this sheet for the notification of an evaluation plan pursuant to Art. 1(2)(a) of Regulation (EU) No 651/2014[1] and in the case of a notified aid scheme subject to an evaluation as provided in the relevant Commission guidelines.

Please refer to the Commission Staff Working Document "Common methodology for State aid evaluation"[2] for guidance on the drafting of an evaluation plan.

1. Identification of the aid scheme to be evaluated

(1) Title of the aid scheme:

Scheme 'General Entrepreneurship' of L.4399/2016..

(2) Does the evaluation plan concern:

(a) ☒ a scheme subject to evaluation pursuant to Article 1(2)(a) of Regulation (EU) No 651/2014?

(b) ☐ a scheme notified to the Commission pursuant to Article 108(3) TFEU?

(3) Reference of the scheme (to be completed by the Commission):

....

(4) Please list any existing *ex-ante* evaluations or impact assessments for the aid scheme and ex-post evaluations or studies conducted in the past on predecessors of the aid scheme or on similar schemes. For each of those studies, please provide the following information: (a) a brief description of the study's objectives, methodologies used, results and conclusions, and (b) specific challenges that the evaluations and studies might have faced from a methodological point of view, for example data availability that are relevant for the assessment of the current evaluation plan. If appropriate, please identify relevant areas or topics not covered by previous evaluation plans that should be the subject of the current evaluation. Please provide the summaries of such evaluations and studies in annex and, when available, the internet links to the documents concerned:

The preparation of L.4399/2016 benefited by expert assistance financed by the Structural Reform Support Service by Dr. Athanasios Kalogeresis ('Technical Support for the review and design of the investment law in Greece'). The main aim of that work was an evaluation of the three past investment laws and the identification of incentives that could be used in the preparation of the new investment law. It should be noted that the three past laws are not predecessors in a strict sense, however, they

[1] Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the [i]nternal market in application of Articles 107 and 108 of the Treaty (OJ L 187, 26.6.2014, p. 1).

[2] SWD(2014)179 final of 28.5.2014.

are the most similar schemes in Greek investment or industrial policy, sharing objectives as well as tools with L.4399/2016.

Methodologically, the report was based on a number of sources which included: a) extensive literature reviews, b) extensive consultations with no less than 50 stakeholders (collective business entities, regions, chambers, firms, and consultancy firms), c) a questionnaire that was addressed to the whole list of aid recipients of the three past laws (approximately 5,000 firms), to which, only 170 firms responded, d) Business data extracted from the ICAP business directory which corresponded to firms assisted by law 2601/98. In addition, the expert participated in the processing of the particularly extensive official consultation in which 160 reports from stakeholders (organizations and individuals) were collected and analysed.

The main findings of the exercise were the following:

During the last three investment laws, there has been a gradual increase of importance of large and very large scale investment projects, both in terms of the total amount of investment, and in particular the amount of aid. In particular, the very high aid limits resulted in the absorption of a very large percentage of the budget of the investment laws by relatively few investment projects. In fact, in the last three laws, there have been six business groups (five in the wider energy sector and one in tourism) which have been supported for a total of 133 projects (0.9% of all projects) with total aid of about EUR 1 billion. € (8.1% of total aid), while 25.4% of total aid was absorbed by 95 enterprises or groups of enterprises in 407 investment projects.

In terms of the impact of investment laws at regional inequalities, some of the less-developed regions, such as those of North Aegean, Epirus or the Ionian Islands fail over time to attract important investments. However, what is extremely important in terms of territorial cohesion is the fact that while Attica and Central Macedonia (Thessaloniki) are among the least advantaged Regions in terms of aid intensity, they have over time attracted large volumes of investments. Moreover, the regional level often conceals major sub-regional discrepancies. Hence, in Law 2601 / 98, while Central Greece was the third most important region, two of its prefectures (Fokida and Evritania) were among the five prefectures with the fewest (in absolute numbers) investment projects (4 in Evritania and 8 in Fokida), while the prefecture of Viotia is fifth in terms of number of investments (95 projects) and third nationally, in terms of capital invested, a result of its proximity to Athens.

The impact of investment laws on employment generation and retention is among the most important aspect of such a policy. During the period 1999-2004 (during which law 2601/98 was active) employment in the country increased by 384,900 posts. Accepting the extreme scenario that not only all employment claimed (by the firms aided) was actually materialized, but also that it was maintained throughout the reporting period, then the law had contributed to the creation of 8.1% of the new jobs in the country. In individual regions the contribution of the low was even more important. So, in the region of East Macedonia and Thrace the investment law created more jobs (108%) than those that were created in the Region over the same period, while the corresponding percentage for Sterea Ellas stood at 87%. Of particular significance is the ‘cost’ of each job created; between Laws. 2601 and 3299 the average investment per job increased about fivefold, while the average grant per new job increased almost sixfold (in Law 2601 the respective figure was 36.432 €, while in the next law it became 230,800 €). This trend continued in Law 3908/11 as the amount increased to 322.854 €.

Most of the approved projects in all three laws are characterized by relatively low technological content and knowledge intensity. Specifically, 95% of the projects involved investments by enterprises in low tech (29% – e.g. food, tobacco, cloth, wood, paper etc) and medium – low tech manufacturing activities (19%, e.g. petroleum, plastic, non-metallic mineral products, basic metals, repair and installation of machinery, etc.), provision of less knowledge-intensive services (35%, e.g. hotels, transportation, travel agencies, etc), as well as primary sectors (10%) and energy (1%).

In terms of the impact of the laws on firms, sectors and the wider economy, although it is difficult to come to definitive conclusions, it seems that the allocation of aid is not associated with a noticeable change in rates of business growth, while in several cases the impact of the law to some enterprises is markedly different to the expected one.

These findings, that were based on the analysis of relatively large sample of firms that have benefited from the investment laws were somehow questioned by the findings of a survey questionnaire. Specifically, 80% of respondents to the questionnaire stated that their profits increased after receiving the assistance by the investment law. However, the law was not a determining factor in making the investment for 35.4% of the firms in sample, as they considered that the absence of aid would not result in the cancellation of investment. This finding was also verified from a question concerning the factors influencing the investment decision, where the investment incentives was reported as important by 60% of respondents, while for the remaining 40% of respondent it was other factors that influenced the decision to invest. This relatively high share of firms admitting that state aid did not affect their behaviour, significantly affected the design new law; given that according to the majority of the relevant literature it is smaller firms that make better use of incentives, the new law prioritized the reduction of the average size of supported firms. According to the results of the first round of evaluations (of 2017), this effort has been quite successful.

Unfortunately, the previous investment laws provided little choice of tools used, as the universal availability of grants almost eliminated other tools. Specifically, only 10.3% of firms supported by Law 3908 received no grants, while the corresponding figures for Laws 3299 and 2601 were 0.5% and 6.5% respectively. Overall, in all three laws only 2.65% of aid recipients did not receive grants. It is, therefore not appropriate to analyze the appropriateness of tools, based on the findings presented here.

The need for a fresh approach towards the investment law was evident in the findings of an extensive stakeholder consultation, addressing many shortcomings of the previous laws, and then some. According to most stakeholders there is a need for emphasizing the support of sectors displaying a competitive advantage and multiplier effects for the national economy and apart of job creation aiming to strengthen research and innovation and export activities. Although there is a great need for direct grants, most stakeholders seem to acknowledge the current difficulties and distortions resulting from direct grants and nearly all stakeholders made specific proposals for alternative incentives and new financial tools to partially replace direct subsidies, while it is proposed to maintain aid for startups or small businesses and innovative ventures. Indicatively the tax incentives proposed are: tax exemption, fixed tax rates for new investments, zero tax for startups, accelerated depreciations, VAT exemption for eligible cost categories, possibility of offsetting against previous tax liabilities, tax deduction without the obligation to create untaxed reserves, or the creation of untaxed reserves. Also, subsidies of all types (employment, leasing etc) and, finally, there are several proposals that advocate the creation of VC or equity funds, of either sectoral focus, or for small and medium businesses with different management structures.

To face the considerable liquidity constrains, several alternative tools such as interest subsidy, loan guarantees, and the creation of a development bank which could provide loans to small and medium enterprises and the further development of the National Fund for Entrepreneurship and Development (ETEAN) were proposed.

A few other tools were advocated including measures for firms in difficulty (in order to consolidate and restructure them through the support of the investment law), the waning Industrial Zones, the active support of synergies, networking and clusters. In terms of the procedures, there were many different and very detailed proposals, a common element to which was the simplification of the processes, the publication of an official list of eligible costs which should include intangible costs as well as R&D costs.

The main obstacle faced by the exercise was the lack of data. Specifically, the only law that was completed and could, therefore, provide data on the aided enterprises was the oldest one, L.2601/98. However, it was not possible to construct a proper control group, due to the evaluation criteria. An effort to evaluate the direct impacts through matching (by using data obtained though the ICAP agency), was unfortunately not successful. With regards to the two more recent laws, L.3299/04 and L.3908/11, the excessive outstanding obligations of the government and the inability to obtain proper financial data from third parties made similar exercises impossible.

2. Objectives of the aid scheme to be evaluated[3]

2.1. Please provide a description of the aid scheme specifying the needs and problems the scheme intends to address and the intended categories of beneficiaries, for example size, sectors, location, indicative number:

The scheme ‘General Entrepreneurship’ of L.4399/2016 aims to deal with two of the main problems facing Greek enterprises the wider economy, both of which are attributed to the great crisis; closing the investment gap and increasing employment of the Greek economy. The aid is directed towards enterprises of all sizes (SMEs and large firms). In terms or sectors, the scheme focuses on manufacturing and a large part of internationally traded services and products allowed by the GBER. The aid is available in all regions of the Greek territory.

[3] Beyond providing a general description of the objectives and eligibility rules of the scheme, the aim of this section is to assess how the eligibility and exclusion rules of the scheme may be used to identify the effect of aid. In some cases, the precise eligibility rules may not be known in advance. In those cases the best available expectations should be provided.

2.2. Please indicate the objectives of the scheme and the expected impact, both at the level of the intended beneficiaries and as far as the objective of common interest is concerned:

The objective of the scheme is to support less-favored regions in the country, increase employment, increase networking and promote the growth of businesses. In addition the scheme aims at technological upgrade, the creation of a new extrovert national branding, the boosting of competitiveness in high value added and knowledge-intensive sectors, upgrading along value chains towards the production of more complex products, offering better services, attracting foreign direct investment, and eventually securing a better position for the country in the international division of labour.

The scheme is organised in two sections: a general and a specific one.

In its **general section**, it provides tax relief, leasing subsidies, and wage subsidies based on the highest rates permissible by the Regional Aid Map for investing firms to enable them to increase their size, expand into new products and new markets, and to increase their employment. The indirect (macro) impacts are the general improvement of the labour market and the gradual closing the considerable economy-wide investment gap that has occurred in recent years due to the economic crisis.

Aid for leasing is provided as follows:

- as tax relief, computed based on the paid lease rates and granted as a discount on income tax, and
- as a financial grant, namely subsidy on the paid lease rates.

Aid to the remuneration cost is granted as a financial grant, namely as a subsidy of the remuneration cost according to what is defined in article 14 paragraph 4 point b in GBER651/2014 of the EU.
In more detail, the following types of aid are provided:
a. tax relief, consisting in exemption from income tax on realized profits before taxes, which are computed based on the fiscal legislation from the total of the firm's activities, subtracting the tax of the legal person or legal entity corresponding to the profit distributed or received by the associates. The sum of the tax relief is calculated as a percentage on the value of the aided costs of the investment plan or of the value of new machinery and other equipment acquired with financial leasing,
b. a subsidy, consisting in the State providing free of charge a sum to cover part of the aided costs of the investment plan and is defined as their percentage. The subsidy is provided only to investment plans which meet the criteria for one of the special categories of subsidies (see unit "2. Scopes of the scheme and predicted effects", par. 2.2)
c. leasing subsidy, consisting in the State covering a portion of the installments paid under a leasing agreement contracted to acquire new machinery and other equipment and is defined as a percentage on the value of acquiring those included in the paid installments,
d. subsidy on the cost of created jobs, consisting in the State covering part of the remuneration cost (according to definition in article 2, point 31 of the GBER651/2014 by the EU) of the new jobs which are created and connected to the investment plan and which do not receive any other state aid.

In its **specific section** the scheme provides specific categories of aid, based on geographic and performance characteristics in which, in addition to the general section aid, a grant up to 70% of the highest rates permissible by the Regional Aid Map is granted. The characteristics refer to:

(a) Geographical features:

- (Industrial and Business Areas, Business Parks, etc.) and do not concern the modernization or extension of existing structures of the assisted enterprise,
- Enterprises whose investment project is implemented in specific areas:
  - Mountainous
  - 30 km border as well as the islands of the North Aegean Region, the island of Samothrace of the Prefecture of Evros and the prefecture of Dodecanese,
  - Islands with a population of less than 3,100 inhabitants;
  - areas with permanent population decline> 30% over 2001- 2011
- Companies whose investment plan is being implemented in areas with particularly high migration flows and in particular: Agathonisi, Kalymnos, Kastelorizo, Kos, Leros, Lesvos, Samos, Symi, Chios.
- The objective of geographic specialization in the provision of the grant is to strengthen disadvantaged areas, strengthen employment and income of these geographical areas and, more generally, regional convergence.

(b) Form / performance features:

- (i.e. ratio of export value to turnover), > 10% over the last 3 years prior to the application, > 5% for > 70% (exports to turnover) In particular, firms are considered extrovert when they have increased their extroversion, namely the ratio of export value to the turnover, either by a percentage of at least 10% on average in the three years prior to the year of the submission procedure for their investment plan, or by a percentage of at least 5% on average in the three years prior to the year of the submission procedure for their investment plan, if their exports are over 70% of their turnover in the third year prior to the year of the submission procedure. The above condition has been amended and firms which are considered extrovert are the ones with exports of over 85% of their turnover in the third year prior to their application for a submission procedure of their investment plan.
- Innovative: small and medium-sized, with research and development costs > 10% of their total operating costs, for at least 1 year from the last 3 prior to submission of the application,
- independent SMEs that go into merger after the date hereof
- companies which have increased their employment: > 10% in the last 3 years prior to qualification application

- Cooperatives, Social Cooperative Societies and Producer Groups and Agricultural Partnership Agreements,
- Communication Information Technology sector (ICT) and agri-foods,
- Enterprises that achieve increased value added, relative to their industry average

In order for an investment plan to be included in the special categories for aid and to have the right to receive a subsidy of up to 70%, the intensity threshold percentage in the Regional Aid Map, it should meet one of the features (in terms of territory or performance) described in unit "2. Scopes of the scheme and predicted effects", point 2.2.

The aim of the above specialization is to further strengthen areas of importance for the Greek economy (agri-food and ICT) as well as for enterprises with specific characteristics such as exports, innovations etc. As recorded above. Finally, regional convocation, cognitive and technological upgrading of enterprises, increasing the size of enterprises and achieving synergies between them are sought.

This distinction based on the different criteria of the 'special section' will be utilised for the purposes of the evaluation of the scheme. Specifically, the possibility of conducting a comparative evaluation of plans meeting the criteria of the special part is under consideration, including firms that do not meet the criteria as well as firms of the control group. The outcome of this exercise is expected to offer the possibility to assess the territorial as well as performance effects among different types of enterprises.

According to predictions carried out we expect an integration into the special categories of the aid scheme by approximately 33% (1 out of 3).

2.3. Please indicate possible negative effects, on the aid beneficiaries or on the wider economy, that might be directly or indirectly associated with the aid scheme[4]:

Typically, a number of possible negative effects are associated with aid schemes, and as such, the proposed scheme is not immune to such risks. Hence, the Scheme could lead to lower productivity of the aided firms, waste of public resources, regional bias, crowding out of private investments. More specifically,

A) Lower productivity of assisted enterprises. Since the new law does not introduce requirements for significant increases in the employment of aided enterprises, this risk is minimized. However, productivity indicators will be examined.

B) Waste of public resources. Avoiding the waste of public funds has been a key criterion for drafting the law. Imposing a lower financing cap is contributing to this direction. estimating the public income in which the scheme will result is part of the evaluation.

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[4] Examples of negative effects are regional and sectorial biases or crowding out of private investments induced by the aid scheme.

C) Attracting activities from neighboring regions. A particular problem here lies in the possibility of mobility of firms over short distances, particularly in instances when this means making use of the criteria of the special part. The significant differentiation of the aid tools in this case is an actual risk, particularly if this mobility becomes massive. Territorial data of firms will be monitored aiming to take amending measures.

D) Crowding out investments. Investment crowding out, as well as postponing investments prior to submission of the aided firms are among the main potential negative effects and one of the most important factors in the evaluation. Crowding out of investments of other competitors will be mainly studied in the context of fieldwork.

2.4. Please indicate (a) the annual budget planned under the scheme, (b) the intended duration of the scheme[5], (c) the aid instrument or instruments and (d) the eligible costs:

Year 1: € 440 m.,

Year 2: € 390 m.,

Years 3 and 4: € 350 m.

i.e. a total of € 1,530 million for the four years of the scheme.

The duration of the scheme will be 4 years. In addition, the scheme is expected to continue for another two years after the end of the 4 year period financed by national resources.

The aid instruments for the general part of the scheme are tax exemption, wage subsidy and leasing subsidy for machinery costs only granted on the basis of the maximum rates of the Regional Aid Map for regional aid and the specific rates of expenditure outside regional aid Under the GBER.

The aid instruments for the specific part of the scheme are those foreseen in the general part as well as a possibility of grants amounting 70% of the maximum allowable aid under the Regional Aid Map (concerning Regional aid) or up to 70% of the maximum allowable rates under the GBER for non-regional aid expenditures.

The eligible costs are as follows:

(A) regional aid expenditure, comprising the majority of possible expenditures (eg. tangible and intangible assets),

(B) expenditures outside regional aid including studies and consultancy fees for SMEs:

[5] Aid schemes defined in Article 1(2)(a) of Regulation (EU) No 651/2014 are excluded from the scope of the Regulation six months after their entry into force. After having assessed the evaluation plan, the Commission may decide to extend the application of the Regulation to such schemes for a longer period. Member States are invited to precisely indicate the intended duration of the scheme.

➢ Studies and consultancy fees for SMEs.

➢ Start-up costs for small and micro enterprises.

➢ Expenditures on energy efficiency measures.

➢ Expenses for self-production of energy from renewable sources.

➢ Expenses for restoration of contaminated sites

(C) expenditures for renewable energy not covered by regional aid

Investment projects for the production or co-generation of renewable energy are only aided for the corresponding costs outside regional aid

2.5. Please provide a summary of the eligibility criteria and the methods for selecting the aid beneficiaries. In particular, please describe the following: (a) the methods used for selecting beneficiaries (e.g. such as scoring), (b) the indicative budget available for each group of beneficiaries, (c) the likelihood of the budget being exhausted for certain groups of beneficiaries, (d) the scoring rules, if they are used in the scheme, (e) the aid intensity thresholds and (f) the criteria the authority granting the aid will take into account when assessing applications:

(α) The selection of aid beneficiaries is based on benchmarking and includes the following stages:

i. Completeness check of applications,
ii. Audit of the legality of the submitted data, studies and supporting documents in relation to the specifications of the scheme and the GBER; in addition, an audit regarding the solvency of the enterprise applying for aid and documentation of the ability of financing the cost of the investment plan either through own funds or through external financing.
iii. Comparative evaluation of proposals, which is completed by the establishment of a provisional classification board and is carried out by a register of certified assessors and by a committee for the acceptance of evaluations. The objective of the assessment is to assess the reasonable cost of eligible costs, to assess the submitted viability analysis of the investment plan and to review the scores on a number of indicators.
iv. Classification of investment projects (provisional table)
v. Objections to the provisional ranking list
vi. Final classification of investment projects (final table)
vii. Issuing an approval or rejection decision for the investment plan.

Scoring indicators include:
- Performance Indicators of the Investment Firm (Liquidity, Debt and Profitability Indicators),
- Financial analysis of the institution after the investment - Internal rate of return (IRR), Repayment of amortization (IAT),
- Employment increase with an emphasis on qualified staff (scoring indicators for new jobs and the training of recruited staff),
- Financing plans the investment (degree of utilization of own funds),

- Specific geographic features or characteristics of form and performance (less-favored areas, extroversion, innovation, employment, etc.)

The minimum required score each investment plan should have, regardless of the size of the firm, so that it will be included in the classification tables, is 3.
The scoring ratios are almost equivalent. The features that provide a slightly higher score are the return of the investment, calculated with the Internal Rate of Return IRR (ratio 2), and the special features of the investment plan which classify it into the special categories of investment (ratio 5).
The budget of the aid scheme for each year arises from a Joint Ministerial Decision by the Minister of Economy and Development and the Minister of Finance, defining the available budget on each type of incentive (grants, subsidies, tax relief) since the necessary funds to cover the payment of the aid need to have been reserved in the State Budget.
The aid is provided based on the score of the approved investment plans and until the exhaustion of the Budget which is defined in the joint Ministerial Decision by the Minister of Economy and Development and the Minister of Finance, which is mentioned in the tender for the aid scheme and is bounding as to the level of the available credits.
Overruns of this threshold are not anticipated. Besides, this is not possible due to the binding of the Joint Ministerial Decision on the one hand and because it is explicitly stated in the law that aid will be granted until the available budget is exhausted.
No alterations which might cause inconsistencies are anticipated, only improvements in points which prove to be dysfunctional and cause problems in implementation.

(b) There is no different budget depending on the features of the beneficiary investment plans or implementation bodies. There is one budget which covers the investment plans to benefit from the aid scheme as a whole. The only differentiation which is applied in terms of beneficiaries is in relation to the investment plans in the agricultural sector, which are a separate part of the overall budget, and the type of aid, where there is a different budget for financial aid (grants and subsidies) and for tax relief.

(c)In case the budget for a category is exhausted it can be covered by the budget of another category that has not been exhausted. In case the budget is not sufficient in any of the categories then the approved investment plans with a lower score are not included in the list of beneficiaries, namely they do not receive any aid. The investment plans that receive the aid are the ones that have been assessed and have proven to fulfill the integration requirements, and based on the score they have on the classification list the budget of the aid scheme is sufficient.

(d) The evaluation criteria, based on which an investment plan gets a score and is classified on the temporary and final list of beneficiaries are specialized with the use of certain ratios, calculated based on specific features of the investment plan and the investment body. The minimum required score that each investment plan must have so that it will be included in the final lists is 3.

The ratios and their scoring scales are the following:

Ratio 1: Return accounting ratios of the body of the investment plan

General liquidity of the body prior to the investment as it results from the two-year average of the ratio of the current asset to the short-term liabilities, as these values are reflected in the formal financial inventories of the last two closed annual accounting periods of the firm.
A net profit margin of the body prior to the investment as it results from the two-year average of the ratio of profits before taxes to the turnover, multiplied by 100,

as these values are reflected in the formal financial statements of the last two closed annual accounting periods of the firm.

Structure of capitals of the body prior to the investment as it results from the two-year average of the ratio of equity capitals to the total short-term and long-term debts, as these values are reflected on the formal financial statements of the last two closed annual accounting periods of the firm.

Ratio 2: Financial analysis of the body after the investment - internal rate of return (IRR), ability to repay ratio

The score of the Internal Rate of Return (IRR) on the total of the invested capitals based on inflow-outflow of the investment based on the predictions for the first 10 years of operation after the investment is completed.

The score of the ability to repay amortization installments resulting from the ratio of amortization of existing and new loans to the total of results prior to amortization, interest and tax, calculated based on the average of predictions for the first 10 years of operation after the investment has been completed.

Ratio 3: Increase of employment with focus on specialized personnel

The score of this ratio is only for investment plans which create new jobs, and results from the number of new jobs of waged employment in relation to the cost of the investment and the percentage of University or TEI graduates who will cover the new jobs created with the investment plan after it is completed, expressed in AWU (Annual Working Units).

Ratio 4: Equity and disposable capitals

The use of the equity capitals in the financing scheme of the investment is rated.

Ratio 5: Special features of body and investment plan

The investment plans are rated based on their more special features, in terms of either territory or performance, as the features in which they are integrated in special categories of aid (territorial features and form/performance features) and the use of unused or listed buildings.

The scoring scales and criteria in more detail are as follows:

Ratio 1	**Scale**	**Firms with double-system bookkeeping (former category C)**	**Firms with single-system bookkeeping (former category B)**
Overall liquidity	> 1	1	-
Net profit margin	> 1	1	3
Capital structure	> 1	1	-
Ratio 2	**Scale**	**Existing firms**	**Firms Under Establishment/Firms entering mergers in article 12 par. c/Firms with less than three (3) closed accounting periods**
Internal Rate of Return	IRR ≥ 10%	2	3
	10% > IRR ≥ 5%	1	2
Ability to Repay	Ability to Repay Amortization	1	2

	Installments Ratio < 1		
Ratio 3	**Scale**	**Existing firms**	**Firms Under Establishment/Firms entering mergers in article 12 par. c/Firms with less than three (3) closed accounting periods**
Aided Investment Cost / New jobs	<250 thousand Euros	1	2
Percentage of University Graduates	> 20%	1	2
Ratio 4	**Scale**	**Existing firms**	**Firms Under Establishment/Firms entering mergers in article 12 par. c/Firms with less than three (3) / Closed accounting periods**
Equity Capital / Aided investment cost	≥ 15%	1	2
International Capitals / Aided investment cost	≥ 10%	1	2
Disposable Capitals / Equity Capitals	≥ 1.3	1	2
Ratio 5		**Existing firms**	**Firms Under Establishment/Firms entering mergers in article 12 par. c/Firms with less than three (3) closed accounting periods**
The investment body is classified in special categories of aid in article 12 of Law 4399/16 (special categories of aid based on performance, form, territorial features).		2	3
Making use of unused or listed buildings		1	2

(e) Regarding the intensity of the aids the thresholds applied are those in the map of regional aid for regional costs (except in the case of aid for grants given at a percentage lower than those set out in the Regional Aid Map) and the special thresholds set in GBER for costs beyond regional aid. In addition to these, intensity thresholds have also been set according to which the total sum of the aid per subjected investment plan cannot exceed the amount of five million (5,000,000) Euros. The provided per body aid in which the aid to cooperating or connected businesses are included cannot overcome cumulatively the amount of 10 million (10,000,000) Euros per individual firm and twenty million (20,000,000) Euros for all cooperating or connected businesses, with the condition of limitations in article 4 of GBER. The above thresholds are applied in investment plans under Law 4300/16 overall. The exceeding amount of aid is cut depending on the type of aid and the costs grouping.

(f) The evaluation process of investment plans includes the following main fields:

- Evaluation of compatibility of the investment proposal with the institutional framework. This means that the evaluator of the National Register of Certified Auditors will have to examine whether the investment plan is included in the eligible actions, whether it is an initial and completed investment, whether the implementation body is not an ailing firm and whether it has no repeals of submission to previous investment laws or other aid schemes etc.
- Evaluation of the size of the firm based on which the aid percentage is estimated.(link: https://www.ependyseis.gr/anaptyxiakos/yy.htm "User Guide to the SME Definition").
- Evaluation of the ability to finance the investment plan with equity capitals or with external financing based on specifications set in appendix 1 of the tender.(linkhttps://www.ependyseis.gr/anaptyxiakos/nomothesia.htm: State Aid Scheme for "General Entrepreneurship").
- Evaluation of the implementation cost of the investment according to model costs included in the evaluation guide (www.ependyseis.gr), the verification documents and the eligibility rules of the costs. The investment body will submit detailed technical data on the investment which are described in appendix 1 (Definition of documents and financial and technical data of the documentation file) and 2 (eligible groups and categories of costs of investment plans) including, among others, the types of eligible costs, the documentation papers for the cost and the description of the technical features of the investment.
- Evaluation of the score of the investment plan and the investment body carried out with the use of ratios on the historical data of the firm (liquidity, return and debt burden) in predictions after the implementation of the investment and other measurable values. link https://www.ependyseis.gr/anaptyxiakos/nomothesia.htm: "Evaluation Guide for submission of Investment Plans to the State Aid Scheme 'General Entrepreneurship'" and Appendix 5 of Announcement.
- Evaluation of sustainability of the investment through template tables where efficiency and ability to repay amortization rates after the implementation of the investment are assessed. (linkhttps://www.ependyseis.gr/anaptyxiakos/yy.htm: "Sustainability Prediction and Outturn Data of the Body Tables for the State Aid Scheme "General Entrepreneurship" and https://www.ependyseis.gr/anaptyxiakos/nomothesia.htm: "Evaluation Guide for submission of Investment Plans to the State Aid Scheme 'General Entrepreneurship'.

2.6. Please mention specific constraints or risks that might affect the implementation of the scheme, its expected impacts and the achievement of its objectives:

The main risk currently associated with the scheme is the inability of the allocated funds to cover the demand. Moreover, the potential risk of a general economic crisis, whether local or wider, could lead to difficulties in the realisation of investments, as was the case with the two previous investment laws during the recent crisis.

In terms of the actual evaluation, the main risk is related to the size of the control group (the counterfactual). Historically, Greek investment laws have rejected few investment projects due to budget constraints, especially few projects with significant problems or inability to substantiate own financing capacity. Therefore, estimating the exact number based on past experience is impossible. However, due to the modification of the rating system and based on data from the first two rounds of the current law, it is expected that in 2018 there will be approximately 1,000 applications, from which about 100-150 plans are estimated to be dismissed due to budget constraints.

3. Evaluation questions

3.1. Please indicate the specific questions that the evaluation should address by providing quantitative evidence of the impact of aid. Please distinguish between (a) questions related to the direct impact of the aid on the beneficiaries, (b) questions related to the indirect impacts and (c) questions related to the proportionality and appropriateness of the aid. Please explain how the evaluation questions relate to the objectives of the scheme:

The evaluation aims to address three groups of questions by providing quantitative evidence of the impact of the aid. In addition, qualitative evidence should be used to supplement or substitute for quantitative data, in case the latter is unavailable. Specifically, the three groups refer to:

1. Direct impact of the aid:
   - 1.1. Has the aid had a significant effect on the course of action taken by the aid beneficiaries? (incentive effect). This question aims to uncover the extent to which the aid was the shaping factor of the decision of beneficiaries to invest.
   - 1.2. Has the aid influenced the situation of the beneficiaries? (For example, has their competitive position or default risk changed?)
   - 1.3. To what extent has the aid had the effects expected. More specifically, the evaluation will address the following sub questions:
     - 1.3.1. Does the scheme achieve an increase in employment of the beneficiary firms?
     - 1.3.2. increase of networking and enlargement of the firms?
     - 1.3.3. To what extent does it contribute to technological upgrading,
     - 1.3.4. Boosting of competitiveness and
     - 1.3.5. shifting of the aided firms to activities of high added value and knowledge intensity.
   - 1.4. Have beneficiaries been affected differently by the aid? (For example, according to their size, location or sector). This last question is particularly significant for the scheme evaluated, which is relatively complex.
2. Indirect impact of the aid scheme
   - 2.1. Has the scheme had spill-over effects on the activity of other firms or on other geographical regions? Did the aid crowd out investment from other competitors or attract activity away from neighbouring locations?

2.1.1. Attracting activities from neighboring regions (particularly in the case of mobility of firms over short distances, particularly in instances when this means making use of the criteria of the special part)

2.1.2. Investment crowding out of competing firms

2.1.3. Impact of support 1on the activity of suppliers and companies providing services to the aided companies.

2.2. Has the scheme contributed to the relevant policy objective?

2.2.1. How does the scheme contribute to the increase of investments?

2.2.2. How does the scheme contribute to the increase of employment?

3. Proportionality and appropriateness of the aid scheme, e.g.:

3.1. Was the aid scheme proportionate to the problem being addressed? Could the same effects have been obtained with less aid or a different form of aid? (for example, tax relief instead of cash grants).

3.2. Was the most effective aid instrument chosen? Would other aid instruments or types of intervention have been more appropriate for achieving the objective in question?[6] ..

4. Result indicators

4.1. Please use the following table to describe which indicators will be built to measure outcomes of the scheme, as well as the relevant control variables, including the sources of data, and how each result indicator corresponds to the evaluation questions. In particular, please mention (a) the relevant evaluation question, (b) the indicator, (c) the source of data, (d) the frequency of collection of data (for example, annual, monthly, etc.), (e) the level at which the data is collected (for example, firm level, establishment level, regional level, etc.), (f) the population covered in the data source (for example, aid beneficiaries, non-beneficiaries, all firms, etc.):

	Evaluation question	Indicator	Source	Frequency	Level	Population
1	1.1, 1.2, 1.3, 1.4, 2.1.1., 2.1.2, 2.2.1, 3.1, 3.2	Increase of the size of the enterprises (Capital of the enterprises)	One of the two major enterprise databases of the country (i.e. ICAP or Hellastat). Macroeconomic data	annual	Enterprise or at plant level if available	All firms
2	1.1, 1.2, 1.3.1, 1.3.2, 1.3.5, 1.4, 3.1, 3.2	Aid received and type of aid instrument used[7]	Scheme database	annual	Enterprise or at plant level if available	Assisted enterprises
3	1.1, 1.2, 1.3.1, 1.3.5,	Employment (employment data	One of the two major enterprise databases of the country (i.e. ICAP	annual	Enterprise or at plant level	All firms

[6] Since this is a question that is quite difficult to pursue with quantitative data, a comparison of the scheme to previous interventions is planned. Furthermore, since the quality of the data of the previous investment laws is questionable, this comparison will also make use of data from enterprise databases and macroeconomic data. Finally, the scheme will be compared with similar interventions in other member states.

[7] Aid received and type of aid instrument are clearly not result indicators. However, they are included in the indicators' table, since they are the most significant input in the analysis.

	1.4, 2.1.1., 2.1.2., 2.2.2, 3.1, 3.2	of the enterprises)	or Hellastat). Employment data will also be provided by the Ergani database maintained by the Ministry of Labour, Social Security and Social Solidarity Macroeconomic data		if available Aggregate data	
4	1.1, 1.2, 1.3.2, 1.4, 2.1.1., 2.1.2., 3.1, 3.2	Turnover	One of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise	All firms
5	1.1, 1.2, 1.3, 1.4, 2.1.1, 2.1.2, 3.1, 3.2	Fixed Assets	Enterprise survey, and One of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise	All firms
6	1.3.3, 1.3.5	Intangible assets	Enterprise survey, and One of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise	All firms
7	1.1., 1.3.4, 1.4, 2.1.1., 2.1.2, 3.1, 3.2	share of exports	Enterprise survey, and one of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise or at plant level if available	All firms
8	1.2, 2.1.2	Gross value added	One of the two major enterprise databases of the country (i.e. ICAP or Hellastat). Macroeconomic data	annual	Enterprise or at plant level if available Aggregate data	All firms
9	1.2, 2.1.2	Investment expenditure	One of the two major enterprise databases of the country (i.e. ICAP or Hellastat). Macroeconomic data	annual	Enterprise or at plant level if available	All firms
10	1.1, 1.2, 1.3.4, 1.3.5, 1.4, 2.1.1, 2.1.2, 3.1, 3.2	Productivity (output and employment data of the enterprises)	one of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise or at plant level if available	All firms
11	1.2, 1.3.2, 1.3.4, 1.4, 3.1, 3.2	ROE – ROA (relevant indices of the enterprises)	one of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise	All firms
12	2.1.1, 2.1.2	Evolution of birth, death and survival rates of companies	one of the two major enterprise databases of the country (i.e. ICAP or Hellastat). Ministry of Finance data	annual	Enterprise Aggregate	All firms

13	2.1.1, 2.1.2	Evolution of market shares	One of the two major enterprise databases of the country (i.e. ICAP or Hellastat). Macroeconomic data	annual	Enterprise Aggregate	All firms
14	1.1, 3.1 and 3.2	degree to which the investment would be realised had the enterprises not been assisted	enterprise survey	Twice in the evaluation lifetime	Enterprise	Assisted enterprises
15	1.2 1.3.3 and 3.1	Technological upgrade of the supported enterprises	enterprise survey	Twice in the evaluation lifetime	Enterprise	Assisted enterprises
16	1.2 and 3.1	Upgrade of the supported enterprises along the value chain towards the production of more complex products	enterprise survey	Twice in the evaluation lifetime	Enterprise	Assisted enterprises
17	1.3.2	Increase of inputs from local or regional sources for supported enterprises compared to firms in the control group.	enterprise survey	Twice in the evaluation lifetime	Enterprise	Assisted enterprises / suppliers
18	2.1.3	Impacts on the activity of suppliers and companies providing services to the aided companies.	enterprise survey	Twice in the evaluation lifetime	Enterprise	Assisted enterprises / suppliers
19	3.1 and 3.2	Aid provided to employment ratio	one of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise or at plant level if available	All firms
20	3.1 and 3.2	Aid provided to turnover ratio	one of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise or at plant level if available	All firms
21	3.1 and 3.2	Aid provided to GVA ratio	one of the two major enterprise databases of the country (i.e. ICAP or Hellastat).	annual	Enterprise or at plant level if available	All firms

Please explain why the chosen indicators are the most relevant for measuring the expected impact of the scheme:

Indicators 1 – 11 are amongst the most widely used ones in the literature studying the direct impact of investment policies (i.e. the impact on the aided firms). On the other hand indicators 3, 8, 12,and 13 aim at addressing the indirect impacts of the scheme. Finally, indicators 14-16 address questions which will be difficult to assess through quantitative data. The indicators identified here are indicative of the wide range of information that can be collected through such an instrument, and the final ones will be determined at a later stage.

Finally, indicators 1-10 are highly appropriate for studying the proportionality or effectiveness of the scheme. Naturally, this will be approached though different methodologies. The existence of different types of aid instruments (tax exemptions and grants) will permit the comparison of the effectiveness of the various instruments taking advantage of the methodologies adopted for the study of the direct impacts. On the other hand the extensive survey aims at utilising the qualitative tools of the analysis of the indirect impacts.

5. Envisaged methods to conduct the evaluation

5.1. In light of the evaluation questions, please describe the envisaged methods to be used in the evaluation to identify the causal impact of the aid on the beneficiaries and to assess other indirect impacts. In particular, please explain the reasons for choosing those methods and for rejecting other methods (for example, reasons related to the design of the scheme)[8]:

The data available allows for the use of at least two methods in order to identify the causal impact of the aid. The first method will be Regression Discontinuity Design (RDD). Because of the existence of various cut-off points (which will be different in each call – or auction) we are planning to employ a nonparametric multiple rankings regression discontinuity design akin to that of Cerqua and Pellegrini (2014)[9] . However, due to the fact that the size of the control group could considerably vary (between 100 and 150 firms), other possible formulations will be considered. In addition, various methods of matching will be applied, particularly for the first year of the scheme, which, although potentially suboptimal, could address the difficulties of identifying a proper counterfactual, as described below.

The second method which will be the difference-in-difference method, utilizing propensity score matching to control for sample selection. This method compares firms that received grants to otherwise similar firms that received no grants during the study period. The reason for choosing D-D as the second method is that it is relatively easier to build the control group; in case the control group foreseen in the RDD method turns out to be smaller than anticipated, the D-D method will allow the analysis to be performed. The size of the control group in the D-D method is not easy to estimate ex-ante, as it is not easy to predict the number of (particularly larger) firms for which no similar firm(s) will be identified in the control group.

8 Please make reference to SWD(2014)179 final of 28.5.2014.

9 Cerqua, A. and Pellegrini, G. (2014), "Do subsidies to private capital boost firms' growth? A multiple regression discontinuity design approach", *Journal of Public Economics*, Vol. 109, pp. 114–126.

5.2. Please describe precisely the identification strategy for the evaluation of the causal impact of the aid and the assumptions on which the strategy relies. Please describe in detail the composition and the significance of the control group:

Concerning RDD, we expect to be able to build at least two control groups. The first will consist of enterprises that do not participate not because they voluntarily decided not to participate, but rather because they were not eligible for funding. As has already been mentioned, non eligible are two categories of plans: a) the plans with great insufficiencies and b) plans which do not achieve the base score. In theory the second category could constitute a solid control group. However, we should mention that as the applicants are aware of the criteria, we do not expect an adequate number of plans.
The second control group will consist of enterprises that participated, however, failed to get access to aid, having scored lower than a threshold. The methodology and evaluation criteria, as well as the features of the rejected plans due to absorption of the available budget has already been described in another part of this document. The anticipated size of the control group is described in section 2.6 herein.
In addition, a third control group will take advantage of the fact that depending on a few specific criteria a subset of the assisted firms will be entitled special assistance (ability to receive grants as opposed to tax reliefs, which is the main instrument of the scheme). This will permit the comparative evaluation of the distinct types of aid, as well as permit an analysis of the different impact on different areas, since geography is one of the primary criteria of eligibility for special assistance. For D-D (which is a relatively more mature method) for each observation in the in the treatment group (i.e. those that have been supported) we aim to find an observation that is as similar as possible in terms of a number of observables (X values) in the control group (firms that were not supported. The Y values of these matching observations are then used to compute the counterfactual outcome for the observation at hand. Finally, an estimate for the average causal effect can be obtained as the mean of the differences between the observed values and the “imputed” counterfactual values over all observations.

5.3. Please explain how the envisaged methods address potential selection bias. Can it be claimed with sufficient certainty that observed differences in the outcomes for the aid beneficiaries are due to the aid?

According to the relevant literature the best way to completely overcome selection bias is through a randomised experiment, which would totally avoid selection bias given the random selection of beneficiaries. Due to the characteristics of the scheme ‘General entrepreneurship’ of L.4399 it is impossible to introduce elements of randomness. Nevertheless, the proposed methods of selection of the counterfactual (described above) related to the RDD method constitute the state of art of the recent literature.

In particular, as in most of the relevant literature, potential selection bias (namely lack of random selection of participants to the scheme) will be counteracted through a comparative study of (at least) two groups of firms: those which will receive the aid and those which will not be excluded. In particular, the score of the firm which exhausts the budget of every round is regarded as the scoring threshold and, in theory, firms which are on both sides of the threshold have a very similar tendency to invest and their selection approaches the selection of a randomized experiment.

Thus, comparison of the firms on both sides of the threshold (and adequately close to it) will counteract potential biased selections.

In addition, the Difference in Difference method will be utilised as a second-best option, to evaluate the impact of the first round of the scheme (which cannot be evaluated by RDD, due to the lack of a suitable control group), as well as the subsequent rounds in addition to RDD.

5.4. If relevant, please explain how the envisaged methods intend to address specific challenges related to complex schemes, for example schemes that are implemented in a differentiated manner at regional level and schemes that use several aid instruments:

The scheme 'General entrepreneurship' of L.4399 is indeed a complex one. As has already been described grants are only available to enterprises falling into the 'special assistance' category, which is set up through a rather complex set of criteria the most important of which is geography, as well as company performance. Specifically, although the whole country is eligible (with variable intensities, as prescribed by the regional aid map) for assistance, the scheme allows only for tax exemptions. Enterprises located in mountainous, insular or border regions (therefore facing a complex set of additional challenges) are entitled to grants. The envisaged methods will permit the comparative evaluation of distinct types of assistance, as well as the assessment of the success of regional differentiation. ....

6. Data collection

6.1. Please provide information on the mechanisms and sources for collecting and processing data about the aid beneficiaries and about the envisaged counterfactual.[10] Please provide a description of all the relevant information that relates to the selection phase: data collected on aid applicants, data submitted by applicants and selection outcomes. Please also explain any potential issue as regards data availability:

Immediately after the approval of the scheme a data collection mechanism will be set up that will be responsible for the continuous monitoring of the scheme and the collection and processing of the information and data required. The mechanism will consist of two members of the evaluation team and one member of staff of the aid agency (the Ministry of Economy). The main tasks of the mechanism will be :

a) To report on the suitability of the data provider within the first two months after the approval of the scheme,
b) To organize the surveys of firms (assisted and control group), agency staff and stakeholders that will take place twice in the lifetime of the evaluation,
c) To design the data preparation methodology and oversee its implementation by the evaluation team.

The member of staff of the aid agency assigned to the data collection mechanism will be responsible for:

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[10] Please note that the evaluation might require sourcing of both historical data and data that will become progressively available during the deployment of the aid scheme. Please identify the sources for both types of information. Both types of data should preferably be collected from the same source as to guarantee consistency across time.

a) Collecting and sending data from the ministry to the evaluation team,
b) ensuring the proper formatting of the data collected from the Ministry
c) periodically reporting on the progress of the scheme, as well as on problems or changes in the administrative mechanism or processes that could affect the effectiveness of the scheme or the quality of the data collected.
d) Assist in the organisation of surveys with the agency and other stakeholders.

In addition, one member of the evaluation team will foresee the organization of the data collection mechanism and will be responsible for:

The main sources of data foreseen are the following:

(a) Data collected by the aid agency (the Ministry of Economy) by applicants. This usually includes complete balance sheets and detailed employment data for at least three years before the application for all applicants, while beneficiaries are obliged to report such data for a period of 5 years. However, the main use of this data will concern the amount and exact timing of the aid. In addition to the Ministry of Economy, data on employment will be collected by the Ergani database maintained by the Ministry of Labour, Social Security and Social Solidarity.

(b) Data from firm registries. Two such agencies exist in Greece (ICAP and Hellastat) collecting data at firm level. To ensure comparability, one of the two agencies will be chosen and the data provided will be the main source of data for both the counterfactual and the beneficiaries regarding the main covariates of interest (Turnover, profits, ROE, ROA, fixed assets etc).

(c) Surveys of aid beneficiaries as well as enterprises in the control groups, and interviews with scheme managers. Notwithstanding the risks involved in relying too much on such data, information from qualitative exercises such as interviews and case studies can be a useful complementary source and can help in interpreting the results of the evaluation.

One particularly challenging element of data collection is matching information from various sources. The obvious solution here is to use the enterprises' VAT numbers. To avoid the use of wrong data, a double check will be employed using address data of the enterprises involved. One additional challenge of this exercise is related to the difficulty of identifying plant data in the case of multi-plant firms, given that some data is not available at plant level. Fortunately, multiplant enterprises in Greece are scarce, hence this will not pose considerable problems.

Finally, one critical issue in exercices such as this is related to the collection of data from rejected applicants. To address this issue, all applicants, regardless of the outcome of their application, will have to submit the necessary data for a period of 3 years prior to the submission of the application, while they will fill in a signed statement[11] in which they accept the obligation to submit the necessary data for a period of 5 years after the application.

However, since the possibility of not collecting a large enough sample of rejected firms is a concern, other methodologies, based on data from enterprise datasets are also considered (e.g. (Görg and Strobl, 2007)

[11] The signed statement is attached in the appendix of this document

6.2. Please provide information on the frequency of the data collection relevant for the evaluation. Are observations available on a sufficiently disaggregated level, that is to say at the level of individual undertakings?

The Agency data will be collected on a bi-annual basis, starting six months after the approval of the scheme. The data provided by the firm registries will be collected once in the lifespan of the scheme. Naturally, an audit of the quality of the data will take place six months before the actual data collection. Finally, the surveys (interviews and questionnaires) are planned to take place twice for reasons explained in the following section. The observations are available on a sufficiently disaggregated level (firm level).

6.3. Please indicate whether the access to the necessary data for conducting the evaluation might be hindered by laws and regulations governing confidentiality of data and how those issues would be addressed. Please mention other possible challenges related to data collection and how they would be overcome:

At the time of preparation of this information sheet, no laws and regulations governing confidentiality of data is expected to hinder the evaluation. If such laws or regulations are to be enacted in the future, the Ministry of the Economy will see that properly anonymised data is delivered to the body responsible for carrying out the evaluation and in particular joining the various databases required for the evaluation.

The main challenge related to data collection is related to the response rates in surveys or interviews, particularly concerning the counterfactual, given that the firms comprising the control group are likely to have been rejected. It is the Ministry's intention to impose a requirement to all applicants (successful or not) to provide the battery of data required to carry out parts of the evaluation. This, however, only partially solves the problem, since it would be impossible to guarantee the willingness to participate in interviews, particularly given that often the participation of key decision makers is required (e.g. in order to assess willingness to invest). This is often aggravated by the considerable time between the actual decision (to apply) and the interview, which is often several years. During such a timespan, the key decision makers may very well be out of reach. This explains why interviews are programmed to take place twice during the project's lifetime.

6.4. Please indicate whether surveys of aid beneficiaries or of other undertakings are foreseen and whether complementary sources of information are intended to be used:

Yes. Details of the surveys and the targeted audiences have been provided in previous sections. Questionnaires will be undertaken through Computer Aided Telephone Interview system (CATI - the team conducting the evaluation has access to such infrastructure, as will be detailed in section 8). ....

7. Proposed timeline of the evaluation

7.1. Please indicate the proposed timeline of the evaluation, including milestones for data collection, interim reports and involvement of stakeholders. If relevant, please provide an annex detailing the proposed timeline:

• Workpackage structure

The first Work package (Surveys and stakeholder consultation - WP1) will take place in two stages. The first survey and stakeholder consultation (Task 1.1) will begin in December 2018, while the second (Task 1.2) in March 2020. The duration of both surveys will be two months.

WP 2 (the preparation stage of the evaluation) will begin in December 2018, during which the exact methodology of the evaluation and preparations for the data collection will be finalised. Furthermore, during this WP the scheme data will be collected and prepared for analysis.

WP3 (collection and preparation of secondary (enterprise) data) will begin in December 2020 and last five months.

WP4 (data analysis) will begin in January 2021 and last four months.

•Milestones and deliverables

The first milestone (MS1) will take place one month after the approval of the Scheme and is the setting up of the Steering Committee.

The second milestone (MS2) will be the setting up of the Data Collection Mechanism in M2.

The third milestone (MS3) is the data quality audit (March 2021)

The first deliverable of the evaluation (D1) is the first interim report, detailing the progress of the scheme and the findings of the first Survey and is foreseen to take place in January 2019, while the second interim report (D2) will be published in March 2021 following MS3. The evaluation final report (D3) will be delivered at the end of June 2021.

A gantt chart detailing the proposed timeline is provided in Annex 1.

7.2. Please indicate the date by which the final evaluation report will be submitted to the Commission:

The first interim report will be submitted to the Commission in October 2018, while the final evaluation report will be submitted to the Commission in December 2020

7.3. Please mention factors that might affect the envisaged timeline:

The envisaged timeline is dependent on the scheme progress. In particular, the timely evaluation and grading of proposals and the finalisation of investments of at least two rounds in 2018 is essential, since it would lead to a sufficiently large sample of assisted firms. Apart of that, the ample time foreseen in all stages of the evaluation immunes the timeline

8. The body conducting the evaluation

8.1. Please provide specific information on the body conducting the evaluation or, if not yet selected, on the timeline, procedure and criteria for its selection:

The evaluation team will be headed by Dr. Athanasios Kalogeresis, Assistant Professor at the School of Spatial Planning and Development, Faculty of Engineering, Aristotle University of Thessaloniki. The other members of the evaluation team include Dr. Georgios Michailidis, also Assistant Professor at the School of Spatial Planning and Development, Faculty of Engineering, Aristotle University of Thessaloniki and Dr Styliani Karagianni, Professor of Economics at the University of Macedonia, Thessaloniki. The core team will be assisted by a small team of PhD candidates currently including Mr. Elias Thanis and Mrs. Melina Vakalopoulou. The team will be complemented by additional staff to be involved in the surveys (interviews, CATI etc).

8.2. Please provide information on the independence of the body conducting the evaluation and on how possible conflict of interest will be excluded during the selection process:

The evaluation team is based at the School of Spatial Planning of the Aristotle University of Thessaloniki, one of the foremost centres of excellence on evaluation in Greece, while all members of the team are academics functionally and institutionally independent from the Ministry.

8.3. Please indicate the relevant experience and skills of the body conducting the evaluation or how those skills will be ensured during the selection process:

Dr. Athanasios Kalogeresis (who oversees the evaluation team), is Assistant Professor at the School of Spatial Planning and Development, Faculty of Engineering, Aristotle University of Thessaloniki, where he teaches economics, economic geography, urban and regional planning and globalization. His research interests and recent work evolve around two main themes, namely, local and regional development and various aspects of the organization of production (spatial, social, institutional and cultural). Within these broad themes, he has worked and published in several specific areas, such as the creative economy; the analysis of new forms of (multinational) organization of economic activities; the role of multinational production and trade in knowledge spillovers; relations between international and local productive systems, the sources of regional disparities and the role of human capital, human capabilities and industrial policy and its evaluation.

Dr. Kalogeresis has acted as an external expert contracted by the Structural Reform Support Service to assist the Ministry of the Economy in the preparation of L.4399. In preparing the 'Technical Support for the review and design of the investment law in Greece' he was responsible for conducting the evaluation of the previous investment laws and providing the Ministry with the basic guidelines that shaped the current law.

Dr. Michailidis is Ass. Professor at the School of Spatial Planning and Development at the Thessaloniki University, where he undertakes teaching and research in the areas of Evaluation of programmes and policies, Urban and regional development and Regional competitiveness. From 2004 to 2009 he was Lecturer and then Assistant Professor in the Department of Planning and Regional Development of the University of Thessaly (Volos). Since 1989, he works with BCS Consultants on Development and Environment Ltd, at first as its Managing Director, and then from 2004, as its principal Scientific Adviser.
His consulting work spans 28 years and he has worked extensively in Greece and Europe acting as Team Coordinator in 20 Evaluations, 12 projects on EU Policies programming and implementation, 29 projects for supporting Innovation and SMEs' development, 17 Regional / Urban / Strategic Development Plans and 7 projects on European Territorial Cooperation, assigned by the EC, Ministries, Banks and Entrepreneurial Unions, Regions, Municipalities, Development Agencies,. He has contributed in confronting issues of strategic interest, such the reform of the Cohesion Policy for the 2014-2020 period, the restructuring of the Greek Public Investment Programme, the restructuring of the mechanisms for the promotion of the competitiveness and the reorganization of the Programming Regions, the RIS3 in Cyprus, the formulation of a new ETC strategy, the review of the environmental protection policy, the Integrated Approach to the Territorial Development, the Growth Poles strategy.
He is a founding member of the European Evaluation Society and he is the founder of the Laboratory for the Evaluation of Development Programmes and Policies within the University of Thessaly; his work on Evaluation has started in 1989 (Evaluation of the Integrated Mediterranean Programmes and contribution to the formulation of tools for an SIF/EC european evaluation methodology) He has held membership in a number of Boards such as the Board of Experts of the National Council for Development and Competitiveness and the Scientific Committee for the National Policy for Regional Development (Ministry of Economy).
He is the author of 2 books and more than 20 scientific articles and papers in international (European Evaluation Society, RSA, ERSA) and Greek conferences on the themes of Evaluation, Programme Management, Strategic Planning, Regional and Urban Development and Competitiveness.
He has a thorough knowledge of the new and past Regulations, methodological toolkits, procedures and administrative mechanisms concerning the implementation and the evaluation of European policies and his cooperation with the European Commission started in 1989. His work often required cooperation with international consulting firms and experts like EPRC, ECOTEC/Ecorys, PWc, Ernst&Young, LRPD, CSIL, MEANS etc.

Dr Karagianni is full professor in Economics at the University of Macedonia, Thessaloniki Greece. She has extensive teaching and research experience in public economics, economic growth, FDI etc. Her publications have appeared in high quality journals such as the International Journal of Economic Research, the International Review of Economics and Finance, Economic Modelling and the Journal of Applied Business Research among others.

Mr. Elias Thanis is an economist currently PhD candidate in economic and regional development at the School of Spatial Planning, Aristotle University of Thessaloniki, Greece. Mr. Thanis has worked as a research assistant at the Regional Development and Policy Research Unit (RDPRU) of the University of Macedonia, Greece and was a member of the team (under the guidance of Dr. Kalogeresis) that prepared the 'Technical Support for the review and design of the investment law in Greece'.

Mrs. Melina Vakalopoulou has a degree in Finance from the University of Macedonia, and is also a graduate of the National School of Public Administration, as well as an MBA graduate from the Universtiy of Macedonia. Currently Mrs. Vakalopoulou is PhD candidate in economic and regional development at the School of Spatial Planning, Aristotle University of Thessaloniki, Greece. Mrs. Vakalopoulou works with the Region of Central Macedonia and more specifically in the Division of Development planning - Department of Regional Development Incentives. Through her position Mrs. Vakalopoulou has had extensive experience on the effectiveness of the mechanisms of aid granting which will be very helpful in specific parts of the evaluation.

8.4. Please indicate which arrangements the granting authority will make to manage and monitor the conduct of the evaluation:

The granting authority will be responsible for setting up the evaluation Steering Committee that will convene on a semi-annual basis. The Committee will consist of a high level official from the General Secretariat of Strategic and Private Investment and two members of the evaluation team and will be responsible for managing and monitoring the evaluation and all strategic decisions, e.g. changes in methodology, adjustment of the evaluation objectives. In addition the Committee will be responsible for communication with other national authorities and DG COMP, as well as suggestions on administrative issues.

8.5. Please provide information, even if only of an indicative nature, on the necessary human and financial resources that will be made available for carrying out the evaluation:

In addition to the evaluation team, one member of staff of the General Secretariat of Strategic and Private Investment of the Ministry of the Economy will be made available for carrying out the evaluation.
In terms of the required financial resources, the overall amount is estimated at

Evaluation team fees:	70,000 Euro
Cost of Surveys:	45,000 Euro
Cost of Enterprise database:	7,200 Euro
Total:	**122,200 Euro**

9. Publicity of the evaluation

9.1. Please provide information on the way the evaluation will be made public, that is to say, through the publication of the evaluation plan and the final evaluation report on a website:

The Evaluation plan, executive summaries of the interim reports and the final evaluation report will be available through the Investment law website.

9.2. Please indicate how the involvement of stakeholders will be ensured. Please indicate whether the organisation of public consultations or events related to the evaluation is envisaged:

In the preparation of L. 4399 a substantial number of stakeholders were involved, along with several public consultations. For the evaluation of the 'General entrepreneurship' scheme of L.4399 three public consultations are envisaged to complement the respective surveys.

9.3. Please specify how the evaluation results are intended to be used by the granting authority and other bodies, for example for the design of successors of the scheme or for similar schemes:

In the initial stages drafting stages of L.4399 evaluation procedures were foreseen as indispensable parts of the law that would permit its regular amendment and provide essential input in the design of the successors of the scheme.

In addition, the evaluation will provide valuable know-how applicable to other policies (such as education or health).

9.4. Please indicate whether and under which conditions data collected for the purpose or used for the evaluation will be made accessible for further studies and analysis:

Some of the data used for the evaluation could be made available pursuant to the general provisions of L.4399. The combined and anonymised database will be made accessible for the purpose of replicating results six months after the end of the evaluation.

9.5. Please indicate whether the evaluation plan contains confidential information that should not be disclosed by the Commission:

No. ....

10. Other information

10.1. Please indicate here any other information you consider relevant for the assessment of the evaluation plan:

There is no additional information relevant for the assessment of the evaluation plan.

10.2. Please list all documents attached to the notification and provide paper copies or direct internet links to the documents concerned:

(a) L.4399/2016
(b) Technical Support for the review and design of the investment law in Greece: Final Report

11. Annex 1: detailed timeline

Name	Begin d...	End date
WP1 Surveys and Stakeholder Consultat...	3/12/20...	29/4/20...
T1.1. Survey 1	3/12/20...	30/1/20...
T1.2. Survey 2	2/3/2020	29/4/20...
WP2 Preparation stage of the evaluation	3/12/20...	29/1/20...
Detailed evaluation methodology	3/12/20...	5/6/2019
Data collection	1/3/2019	29/1/20...
1st yr. collection, preparation and pr...	1/3/2019	1/5/2019
2nd yr. collection, preparation and p...	3/2/2020	2/4/2020
3rd yr. collection, preparation and pr...	1/12/20...	29/1/20...
WP3 collection and preparation of seco...	21/12/2...	24/5/20...
Preparation of secondary data collecti...	21/12/2...	18/2/20...
Secondary data collection	19/2/20...	24/5/20...
WP4 data analysis	25/5/20...	25/6/20...
MS1 SC Meeting 1	1/6/2018	1/6/2018
MS2 data collection mechanism	1/8/2018	1/8/2018
MS3 data quality audit	25/3/20...	25/3/20...
D1 Interim report I	31/1/20...	31/1/20...
D2 Interim report II	25/3/20...	25/3/20...
D3 Final report	28/6/20...	28/6/20...