



Thematic Study

Athens, November 2014

Accelerating justice and dispute resolution, a precondition for investment and growth

Executive Summary



This study was prepared by the House of the Greek Manufacturing Industry ("Stegi tis Ellinikis Viomixanias") and with the support of the Hellenic Federation of Enterprises (SEV), within the scope of the project "Creation of an intervention mechanism for identifying, processing and assessing the administrative obstacles faced by enterprises. It is implemented under the Operational Programme "Public Administration Reform", 2007 - 2013.



Με τη συγχρηματοδότηση της Ελλάδας και της Ευρωπαϊκής Ένωσης

Address by the Chairman of the Hellenic Federation of Enterprises

Institutions are important for a country's social and economic growth. Today, this is the most powerful assumption derived from the three depressions which have tormented Europe and America in the last 20 years. It is also a useful moral for Greece in crisis. An unproductive economy, a corrupt public administration, an inadequate or time consuming judicial function prevent productive forces from achieving growth. Most importantly, they prevent state from collecting revenue, honouring its obligations, planning and implementing sustainable public policy.

Today, at the end of a distressing depression, the need for a substantial reform in the state and in public governance in general is a prerequisite for sustainable economic growth. Justice constitutes a key pillar of the public governance system. For enterprises, the expeditious resolution of administrative disputes and judicial proceedings that concern them (taxation, contracts, obligatory expropriation, bankruptcy and rationalisation processes) is critical for survival. The excessive delays result in disproportionate administrative cost and cost of capital, set back or impede business initiatives and discourage the attraction of foreign capital and investments.

This study has systematically documented the factors responsible for the delay in the justice administration system and has evaluated the impact of these delays on businesses. Moreover, the implementation of an appropriate strategy is recommended, as well as the establishment of an effective reform mechanism for the implementation of 92 measures, of institutional and operational character, aiming to the acceleration of the administration of justice, mainly by: improving the speed of dispute resolution by the judicial system, promoting prejudicial and alternative dispute resolution options and limiting cases of dispute through administratee's interaction with the Administration.

Establishing a sense of equity can only be beneficial for both society and economy. SEV will support any initiative aiming to that direction, assuming its responsibility and role in the new era beginning for Greece.

Theodoros Flessas
Chairman of SEV

Business Environment Observatory

vision

establishing institutions and rules that support the competitiveness of enterprises and the country's development

mission

promoting radical policies and business environment reforms, through the partnership of creative forces in business and public administration

The establishment of the Observatory is **the institutional continuity of SEV's initiative: "Entrepreneurship without obstacles: opening paths to growth"**. SEV has undertaken this initiative in order to contribute to the improvement of the business environment and to the removal of any obstacles standing in the way of entrepreneurship.

Within the scope of its institutional role in the promotion of policies for the social progress and social cohesion, and the country's economic development and business competitiveness, SEV has proceeded to the establishment and operation of the **Business Environment Observatory**, the goals of which include:

- **Systematically identify** limitations, obstacles and problems that hinder business development, have a significant negative economic effect and often overturn the expected benefits of the business venture itself.
- **Evaluate** the friendliness of the business environment and the consistency of the regulatory framework which forms it.
- Formulate **substantiated policy recommendations** aiming to promote the necessary changes and reforms as well as to establish an effective business environment.
- Systematically monitor and **assess the effectiveness** and efficiency of reforms and changes which are implemented in order to improve the business environment.
- Develop a new **change and reform promotion** methodology, supported by the partnership of creative forces in business and public administration, in order to achieve more effective regulation of matters of public interest.
- Conduct **consultation**, with constant and meaningful cooperation between competent officers both from enterprises and public administration, an activity that ensures the completeness of the process of identifying obstacles from their original sources and the joint effort to produce solutions.

The **activities** undertaken by the Observatory are, in summary, the following:

- Annual report for the business environment
- Thematic studies for significant areas of obstacles.
- Specialised surveys on obstacles and reports on methods to address them.
- Opinion research/Public services quality barometer.
- Detailed recording of procedures and obstacles in the business environment.
- Consultation workshops.
- Drafting of policy recommendations.
- Cooperation with the public administration authorities, the scientific and the business community.

For more info www.observatory.org.gr

Key pillars for accelerating dispute resolution

The strategy for speedier justice focuses not only on increasing the efficiency of the courts.

It includes measures also for empowering out of court dispute settlement, as well as improving the operation of the State

The strategy for achieving speedier administration of administrative justice, in order to establish equity and improve operating conditions, and the attractiveness of the Greek business environment are based on a comprehensive action plan. Its goal is to substantially accelerate the resolution of administrative disputes and, ultimately, reduce court backlog within a reasonable time frame. The three main pillars of the strategy are: 1) promoting prejudicial or/and out-of-court procedures and alternative dispute resolution, 2) enhancing court operation and effectiveness to improve system outflows and 3) improving State operation with the aim of establishing relevant and effective regulation and the prudent use of judicial procedures by the administration. Specifically:

1. Out-of-court Resolution (fewer inflows to the judicial system)

- **Effective Administration mechanisms for administrative dispute resolution**
 - ✓ Establish and activate Administrative Disputes Resolution Committees that are independent from the involved services.
 - ✓ Staff contested decisions investigation committees with adequate and specialised personnel, enabling the recruitment of specialists
- Expand **alternative dispute resolution** options, such as:
 - ✓ Arbitration
 - ✓ Judicial mediation
 - ✓ Mediation

2. Judicial Administration and Effectiveness (more outflows from the judicial system)

- **Fewer outstanding cases:** Reduce court workload through grouping and settlement of similar cases by a special team formed for this purpose.
- **Enhance courts' operation**
 - ✓ Achieve efficient resource management, as regards the judicial and administrative personnel of courts, and enhance its operation by recruiting experts and judicial assistants.
 - ✓ Align geographical structure and staffing of courts with judicial and administrative personnel with the workload and dispute resolution priorities.
- **Improve court administration**
 - ✓ Introduce the role of «administrative director» with broad managerial responsibilities
 - ✓ Implement a flexible case flow management system
 - ✓ Classify cases upon their submission Enable the referral of cases to other courts
- **Simplify**
 - ✓ Simplify or abolish superfluous bureaucratic procedural provisions.
 - ✓ Full digitisation of processes

- **Evaluate courts on their speed** in administrating justice
 - ✓ Introduce a system for goal setting and monitoring the performance of courts
 - ✓ Establish a system for performance management as well as for measuring and monitoring the cost of judicial proceedings on a permanent basis.

3. Optimised Operation of the State

- **Restore balance between Executive and Judicial Power**
 - ✓ Implement court decisions (including convictions against Administration)
 - ✓ Harmonise legislation with the decisions of supreme courts
 - ✓ Prudent use of judicial means by Administration based on cost-benefit criteria
 - ✓ Exercise equal treatment of disputants (including the State) as regards the payment of judicial expenses
- **Improve regulatory environment**
 - ✓ Introduce good law principles and practices in order to prevent new disputes arising from the misinterpretation of Administration's regulatory acts, by improving quality and clarity of legislation.
 - ✓ Implement a comprehensive plan for codifying and simplifying existing and new legislation, prioritising first the key codes that regulate entrepreneurship.
 - ✓ Establish an independent mechanism for the evaluation of legislation's impact (on both ex ante and ex post basis) and monitor the progress of pending implementing acts' implementation, in order to minimise the period of regulatory instability.

Establishing a special reform mechanism at the highest political level, devising an operational action plan and adopting a Road Map for its implementation are prerequisites for the implementation of the strategy.

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1 Frame of reference

Today, five years after the beginning of the economic crisis and ready to exit, the need for a substantial reform of the State and public governance in general, despite the efforts already made, remains more imperative than ever and is a necessary condition for the achievement of sustainable economic growth.

Justice constitutes a key pillar of the public governance system. Particularly for enterprises, the speed of dispute resolution and completion of proceedings for cases referred to courts (such as taxation, contracts, obligatory expropriation, bankruptcy and rationalisation processes, etc.) is a crucial factor that can boost entrepreneurship and, thus, economic growth. The enormous delays in the administration of justice, which exceed by far all other member states of the European Union, constitute a significant impediment to entrepreneurship and, in many cases, essentially lead to denial of justice. The delays disrupting smooth business operations result in disproportionate administrative cost and cost of capital, set back or impede business initiatives and discourage the attraction of foreign capital and investments.

In recent years, initiatives have been undertaken for the rationalisation and acceleration of justice administration processes, mainly through institutional initiatives (e.g. reduce the official deadlines for dispute resolution, introduce innovative practices such as arbitration etc.) and operational measures (mainly by introducing IT and Communication Technologies), but delays remain significant and are not expected to decrease to the respective levels of the other countries of the European Union within a reasonable time frame.

The Observatory's mission is to systematically identify impediments presented to enterprises and set out policy and operational recommendations, aiming to create a more efficient regulatory environment for entrepreneurship.

For this purpose, this study has systematically documented the factors responsible for the delay in the justice administration system and has evaluated the impact of these delays on businesses. The study focuses on administrative disputes resolution procedures in general as well as in particular areas that are a priority for enterprises, and recommends the implementation of an appropriate strategy as well as the establishment of an effective reform mechanism for the implementation of 90 measures, of institutional and operational character, aiming to accelerate the administration of justice.

Lastly, it must be stressed that the study does not enlarge upon the matter of quality of administration of justice, nevertheless the recommended measures are expected to have a positive impact on the quality of administration of justice as well.

2 General methodological approach

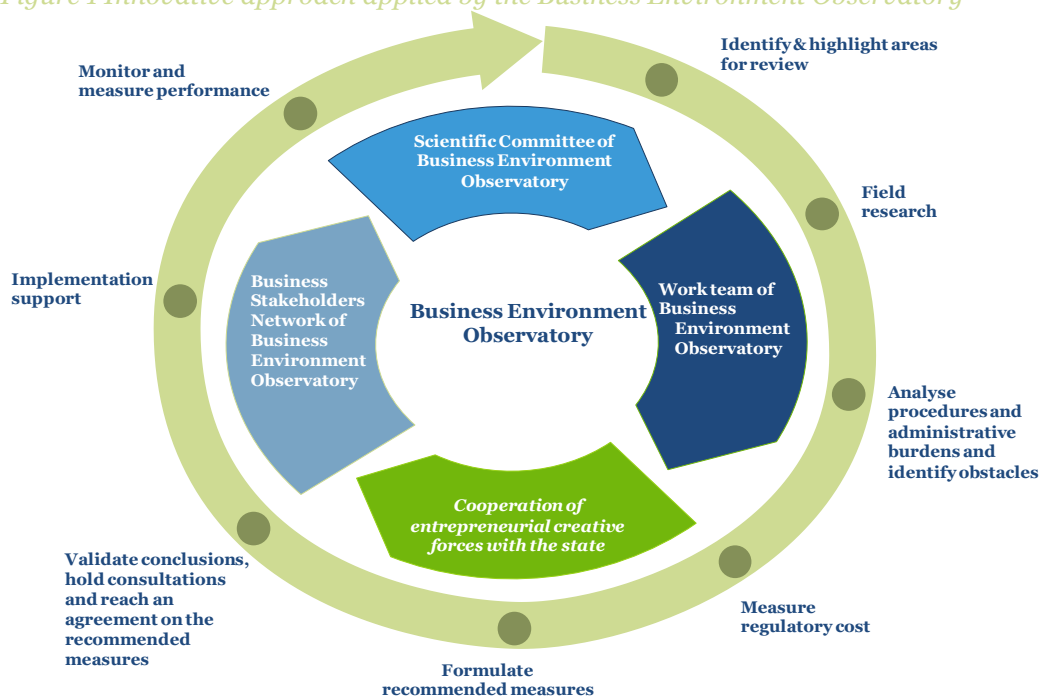
The **Business Environment Observatory**, within the scope of its operation, conducts thematic studies on areas of interest that have a significant effect both on the development of entrepreneurship and the reinforcement of the competitiveness of the economy.

The innovation of these studies lies in the method (the knowledge sources are utilised) as well as the broad range of the field of investigation. More specifically:

- **Utilising knowledge of the market and public administration:** the study is conducted through constant and meaningful cooperation between competent officers from enterprises and public administration, an activity that ensures the completeness of the process of identifying obstacles at their original sources and the joint effort to produce solutions.
- **The broad range and subject of analysis:** the analysis performed goes beyond identifying administration obstacles and recording the administrative burden deriving from legislation but expands to the analysis of all obstacles and drawbacks (opportunity cost, administrative cost, financial cost etc.) caused by the regulatory framework and business environment, focusing on the reinforcement of the enterprises' development prospects.
- **The completeness of the proposed solutions:** the study not only produces conclusions, but also recommends integrated and prioritised solutions and a mechanism for implementing the reform in the licensing process.

The following chart shows how the aforementioned methodology was applied in this study.

Figure 1 Innovative approach applied by the Business Environment Observatory



The Business Environment Observatory, within the framework of taking initiatives to promote regulatory changes with positive impact on the business environment, conducted a special thematic study seeking ways to improve the speed of justice. The study focuses on administrative disputes resolution in 1st Instance, 2nd Instance and the State Council as well as dispute resolution in fields of interest for businesses, such as

- Tax cases
- Public Procurement - Public Works - Expropriation
- Bankruptcy and conciliation (pre – bankruptcy) procedures

The study included the mapping of administrative disputes resolution through administrative courts as well as of the aforementioned fields of special interest, the examination of data and evaluation of current situation, the identification of problematic areas and room for improvement and the impact on business environment. The study includes also a strategy and specific measures for the achievement of faster justice.

In May 2014 the Business Environment Observatory launched an extensive and repeated consultation with the state, business representatives, other experts in the field (Phase A: consultation to identify problems and business impact, Phase B: consultation for formulating measures), finalized with a special consultation workshop, the conclusions of which are incorporated in this final edition of the study.

3 Current situation

3.1 Accelerating justice and dispute resolution, as a precondition for investment and growth

Extensive delays in administrative disputes resolution are common phenomena that do not promote growth and investment security. The long maintenance of a judicial pendency often result in cancellation of a business plan.

Feeling of fairness is an essential component to any effort to increase GDP and requires, apart from a stable legal and regulatory framework and the limitation of obstacles to entrepreneurship, an effective dispute resolution system.



Figure 2 The effect of justice to investments

These factors are the preconditions for companies to attract funds necessary to investments whereas, as reported by companies in a special study of the Business Environment Observatory, long delays in administrative courts are perceived as justice denied.

Indicative of the long delays in justice is the number of pending cases in the administrative courts, and the comparison of the country with the member countries of the European Union:

- According to the most recent data of the Ministry of Justice, on the 30th June, there were approximately 400.000 pending cases and for approximately 2/3 of these cases the hearing was not yet scheduled:
 - **28.180** cases in the Council of State
 - **49.175** cases in the Administrative Courts of Appeal (24.209 cases' hearing not scheduled)
 - **319.226** cases in the Administrative Courts (246.313 cases' hearing not scheduled).
- According to the most recent data (2012) of the Directorate General for Justice (The 2014 EU Justice Scoreboard), there were 3,5 pending administrative cases per 100 residents in Greece, whereas the number of pending cases per 100 residents in the majority of states members of the EU was below 0,5.

3.1.1 The delay in disputes resolution as a barrier to Entrepreneurship

3.1.1.1 Judicial resolution of administrative disputes

The delay factors identified in the judicial resolution of administrative cases are:

- Weaknesses in the judicial system, such as deficiencies in infrastructure and human resources and insufficient use of ICT.
- Deficiency alternative mechanisms for the pretrial and out of courts settlements
- Irregularities in acts and decisions of the public administration and a complex legal framework which allow for the creation of disputes

The main findings are summarized below:

- Absence or non-compliance with statutory deadlines
- Deficiencies in human resources and infrastructure
- Insufficient exploitation of computerization and use Information and Communication Technologies (ICT)
- Ineffective case management procedures (case management)
- Limited specialization of Judges in matters of special interest to entrepreneurship
- Lack of an effective monitoring and performance management system (relative to the judiciary speed)
- Underutilization of filtering mechanisms for the screening of legal remedies before acceptance
- Insufficient use of the pilot trial
- Low cost of litigation
- Excessive use of remedies by the Public Administration
- Lack of utilisation of out of court dispute resolution
- Irregularities in Public Administration acts
- Complex legal and regulatory framework
- Inadequate monitoring of compliance to principles and tools of better law making

3.1.1.2 Special Administrative Procedure for tax dispute resolution

The main findings with regards to the special administrative procedure are summarized below:

- Understaffing of the Directorate for Dispute Resolution
- High percentage of appeals rejected due to expiry of the deadline
- Weakness of the Public Administration to self control and correct own acts
- Deficiencies in procedures
- Inadequate monitoring and evaluation of the work of the Directorate for Dispute Resolution

3.1.1.3 Disputes in public procurement – public works

The main findings with regards to disputes in public procurement – public works are summarized below:

- Complex bidding process
- Lack of know-how, experience and motivation of contracting authorities' employees
- Deficiencies and ambiguities of the legal framework and divergence of interpretation by the contracting authorities

3.1.1.4 Expropriation

The main findings with regards to expropriation are:

- Absence or non-compliance with statutory deadlines
- Inadequate utilization of properties' exchange
- Complex legal framework
- Lack of linkage of the land register to the process expropriation and general lack of land registration
- Delay in the valuation of the expropriated land due to lack of experts' representation in the relevant committee
- Delay in determination and payment of compensation
- Lack of courts' and judges' specialization in expropriation matters
- Lack of information available to proprietors and public officials with regards to expropriation matters

3.1.1.5 Bankruptcy procedure

The main findings with regards to the bankruptcy procedure are:

- Non-compliance with statutory deadlines
- Lack of specialization of Judges and of specialised courts for bankruptcy cases
- Insufficient utilisation of Alternative Dispute Resolution Methods in the bankruptcy proceedings

3.1.1.6 Conciliation procedure (pre-bankruptcy)

The main findings with regards to the Conciliation procedure (pre-bankruptcy) are:

- Non-compliance with statutory deadlines
- Difficulties due to excess preventive measures
- Lack of specialization of the judicial system in technical matters
- Delay in activating the consolidation process

3.2 Estimation of the burden of delays in dispute settlement on entrepreneurship

The assessment of the burden on businesses, because of delays in the dispute settlement procedures with the public administration was conducted under a specific methodological approach, for each procedure, through analysis of time and cost data, collected from a selected sample of enterprises and in cooperation with law firms and other parties involved. Specifically, the data collection sources for "costing" the delay include:

Areas of study	Sources
Tax cases	<ul style="list-style-type: none"> Enterprises (case studies) Ministry of Finance
Public contracts – Public Projects	<ul style="list-style-type: none"> Enterprises (case studies) Administrative Authorities
Bankruptcy & Rationalisation	<ul style="list-style-type: none"> Legal Firms PwC Study “Stars & Zombies” Data from the Ministry of Justice

3.2.1 Administrative Courts – Judicial resolution of tax disputes

The number of sample tax cases is 162, 108 (67%) of which are pending to date. The data relating to the 53 cases completed is summarized below.

Tax case category	Contested taxes	Certified amount prepaid	Average delay time (years)
Withholding tax refund	1.054.473 €	359.902€	3,4
VAT	819.811 €	270.064€	9,3
Income tax	3.849.021 €	582.612€	3,1
Average	2.890.670 €	487.444€	5,0

The highest average time of delay appears in VAT cases and amounts to 9.3 years. The average time of delay for all the cases of the sample is estimated at 5.0 years.

The burden on business depends: (i) on the decision of the company to pay or not the established amount and (ii) on the court's decision (acceptance or rejection). Based on these parameters, the following cases are distinguished:

A1) Payment of the amount – Acceptance of appeal (Opportunity cost)

In this case the burden to businesses stems from the fact that the amount prepaid by the company could yield performance in case it was invested.

A2) Payment of the amount – Rejection of appeal (Additional tax)

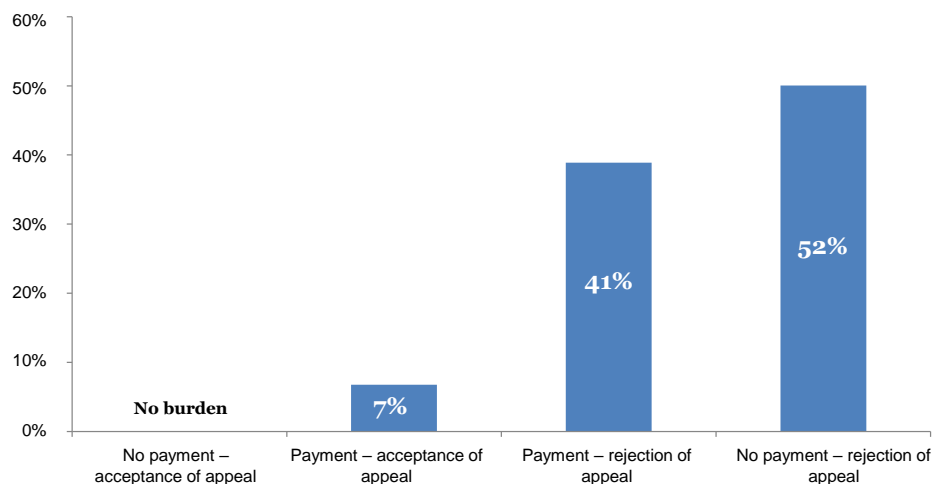
In this case, the burden is equal to the additional tax paid by the company and is calculated by multiplying the remaining unpaid amount times the average delay times the interest.

B) No payment of the amount

In this case the burden on the company relates to the total tax (principal and additional amount), plus an additional tax rate.

The following graph summarises the aforementioned results.

Graph 1 Summary presentation of the judicial tax resolution burden



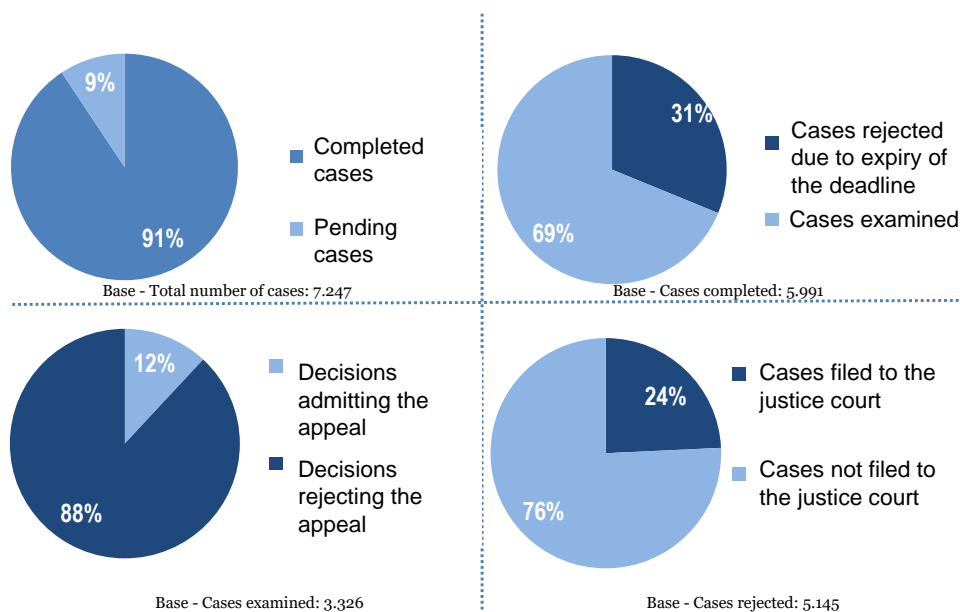
Based on the calculations, the burden to the companies amounts to

- 7% of the total amount, in A1 case
- 41% of the total amount, in A2 case and
- 52% of the total amount, in B case

3.2.2 Special Administrative Procedure for tax dispute resolution

According to data provided by the Directorate for Dispute Resolution the number of cases referred to the Directorate, in 2014 (Jan – Oct) is 7.247. 83% of these cases have been completed whereas only 25% of the cases were accepted (in part or in whole).

Graph 2 Summary presentation of the Directorate for Dispute Resolution Statistics¹



3.2.3 Administrative procedures for the resolution of disputes in public procurement – public works

The average opportunity cost resulting from the delay in the award of public procurement of the sample cases amounts to approximately 40.000 € per 1 mil. € of public tender budget

Estimating the burden of business because of the delay in the award of procurement relates to opportunity cost (the additional cost incurred due to time delays, and the costs resulting from the non-reinvestment of capital).

The sample includes:

- 66 cases of tenders for consulting services with total budget of 174.612.796 € and 7 cases of tenders for public works with total budget 271.115.230 €.
- 25 cases of public construction works in progress with total budget 2.905.755.167 €.

A) Opportunity cost of disputes resolution during the tender procedures

The analysis of the opportunity cost is summarised in the table below.

Sector	Total available budget (A)	Average delay time in years (B)	Sector WACC (C)	Opportunity cost (D) = (A)*(B)*(C)
Advisory sector	174.612.796 €	0,7	7,9%	10.299.827 €
Construction sector	271.115.230 €	0,3	7,8%	6.500.741 €

¹ Source: General Secretariat for Public Revenue, Operational Data of Internal Review (Jan-Oct 2014)

Average	222.864.013 €	0,5	7,9%	8.400.284 €
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The average opportunity cost resulting from the delay in the award of public procurement of the sample cases amounts to approximately € 8.4 million, corresponding to 40.000 € per 1 mil. € public tender budget.

B) Opportunity cost of disputes resolution during execution of public works

Sector	Total available budget (A)	Average delay time in years (B)	Sector WACC (C)	Opportunity cost (D) = (A) * (B) * (C)
Construction sector	€2,905,755,167	2.9	7.8%	€660,429,720

The average time of delay amounts to approximately 3 years and the respective opportunity cost is estimated over 660 mil. €.

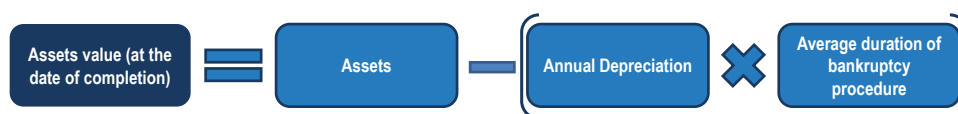
3.2.4 Bankruptcy and conciliation (Pre – bankruptcy) procedures

With regards to the the bankruptcy and the conciliation procedures, no burden estimate was conducted. Instead the study focuses on the benefits that may be realised in case the time for the bankruptcy and for the conciliation process is reduced by 2 and 1 year, respectively.

The sample consists of:

- 11 bankruptcy cases applied in the period 2008 – 2012.
- 60 companies that have applied for conciliation since 2009.
- 430 companies with total revenues during the period 2008 – 2012 oven 10 million €, characterized as “zombies” (non sustainable)².

The benefit is estimated as follows:



The benefit that will be realized in case of accelerating the bankruptcy procedure (for the sample cases) by 2 years (form 10 to 8 years total duration) is summarized in the following table:

Average duration	Assets (A)	Annual Depreciation (B)	Average duration (T)	Assets value (at the date of completion) (Δ) = (A) – [(B) * (T)]
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² PwC Study “Stars and Zombies”

Current status	19.884.145.478 €	976.416.648 €	10 έτη	10.119.978.998 €
Recommended status	19.884.145.478 €	976.416.648 €	8 έτη	12.072.812.294 €
Benefit from accelerating the process of bankruptcy by 2 years				1.952.833.296 €

In case a conciliation procedures has been initiated, unsuccessfully, before bankruptcy, the average delay amounts to 11,3 years (1,3 years for conciliation and 10 years for bankruptcy) and the benefit is estimated as follows:

Average duration	Assets (A)	Annual Depreciation (B)	Average duration (Γ)	Assets value (at the date of completion) $(\Delta) = (A) - [(B) * (\Gamma)]$
Current status	19.884.145.478 €	976.416.648 €	11,3	8.850.637.356 €
Recommended status	19.884.145.478 €	976.416.648 €	8,3	11.779.887.300 €
Benefit from accelerating the process of bankruptcy by 2 years				1.952.833.296 €
Benefit from accelerating the process of rationalisation by 1 year				976.416.648 €
Total Benefit				2.929.249.944 €

the 1990s, the number of people with a mental health problem has increased in the UK (Mental Health Act 1983, 1990).

There is a growing awareness of the need to improve the lives of people with mental health problems. The Department of Health (1999) has set out a strategy for mental health care, which includes a commitment to improve the lives of people with mental health problems. This strategy is based on the following principles:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

The Department of Health (1999) has also set out a number of key objectives for mental health care, which include:

- To reduce the number of people with mental health problems who are admitted to hospital.
- To improve the quality of care for people with mental health problems.
- To improve the lives of people with mental health problems.

The Department of Health (1999) has also set out a number of key actions for mental health care, which include:

- To improve the training and skills of mental health professionals.
- To improve the availability of mental health services.
- To improve the support and care for people with mental health problems.

The Department of Health (1999) has also set out a number of key outcomes for mental health care, which include:

- A reduction in the number of people with mental health problems who are admitted to hospital.
- An improvement in the quality of care for people with mental health problems.
- An improvement in the lives of people with mental health problems.

The Department of Health (1999) has also set out a number of key indicators for mental health care, which include:

- The number of people with mental health problems who are admitted to hospital.
- The quality of care for people with mental health problems.
- The lives of people with mental health problems.

The Department of Health (1999) has also set out a number of key messages for mental health care, which include:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

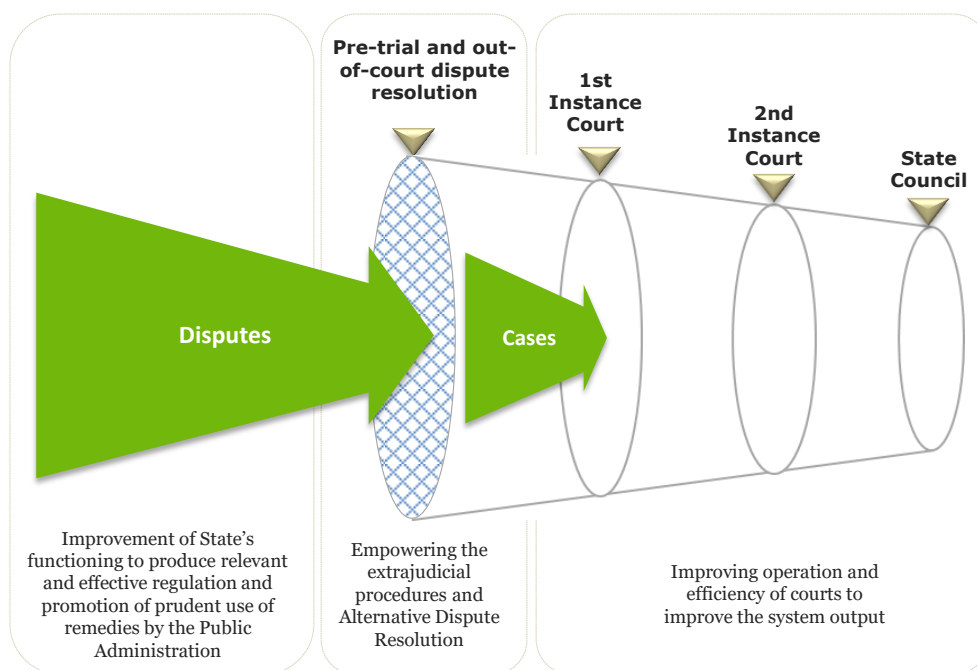
4 Strategy and recommended measures for the acceleration of dispute resolution

4.1 Strategic Pillars for the acceleration of dispute resolution

To expedite justice it is imperative that measures be initiated simultaneously for the increase of the judicial system outflow rate and the reduction of the judicial system inflow rate

The proposed strategy for a faster dispute resolution system is based on a comprehensive action plan, which includes measures evenly for all three bottlenecks. More specific it aims at:

- (a) increasing the speed of dispute resolution by the judicial system,
- (b) enhancing dispute resolution before entering the courts, and
- (c) decreasing the disputes created between the companies and the public administration.



Η στρατηγική εξειδικεύεται στους παρακάτω στρατηγικούς στόχους:

1. Empowering prejudicial or/and out-of-court procedures and alternative dispute resolution

It includes actions to strengthen dispute resolution outside the courts, as a faster and more economical process, which contributes to a better functioning of courts due to the reduction of burden.

2. Enhancing court operation and effectiveness to improve system outflows

Is includes actions aiming at increasing the clearance rate and, therefore, reducing length of proceedings, without compromising the quality of justice awarded.

3. Optimising State operation

It includes actions aiming at the reduction of disputes, through a better legal framework and of the improvement of the quality of Public Administration’s acts.

4.2 Recommended measures

Based on the assessment performed and the consultation results, the optimum combination of recommendations was established. The features of this combination are presented below.

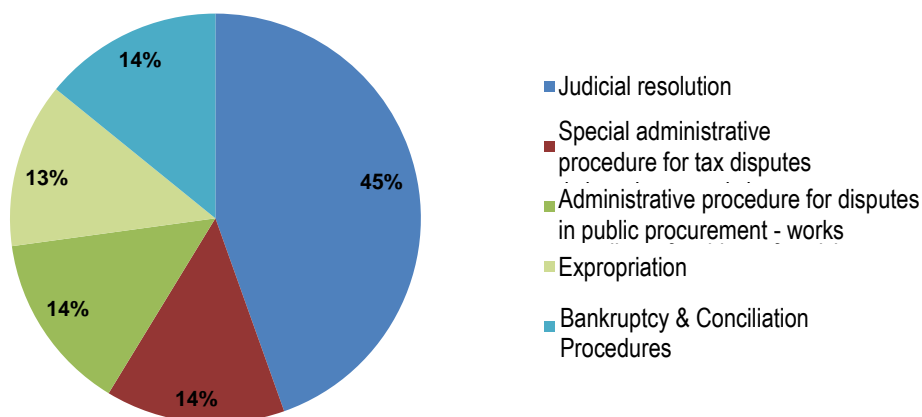
The classification of **ninety two recommended measures** based on their features is presented below:

Field: classification of recommended measures according to the field (administration courts, administrative procedure for tax dispute resolution, etc).

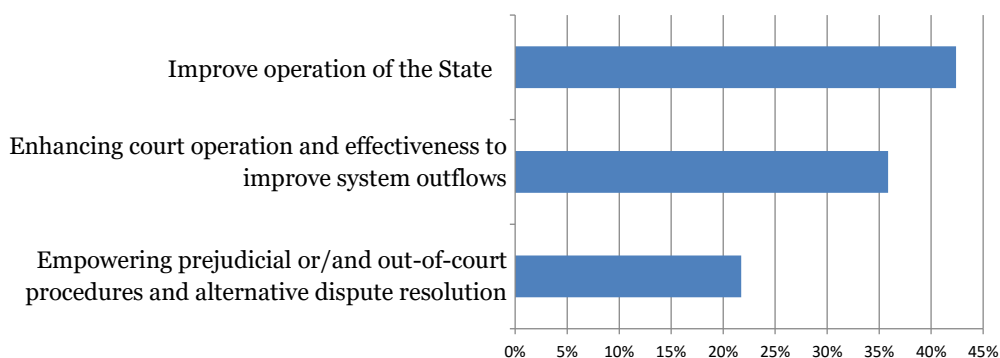
Strategic Pillar: classification of recommended measures according to the strategic pillar they serve.

Priority: classification of recommended measures according to their priority.

Graph 3. Measures per field examined



Graph 4. Measures per strategic pillar



5 Public Consultation

The Business Environment Observatory, within the scope of the Hellenic Federation of Enterprises institutional role in the promotion of policies for the social progress and social cohesion, and the country's economic development and business competitiveness conducts consultations with constant and meaningful cooperation among competent officers and executives, an activity that ensures the completeness of the process of identifying obstacles from their original sources and the joint effort to produce solutions.

In the context of the study “Accelerating justice and dispute resolution, a precondition for investment and growth” the Business Environment Observatory organised a consultation workshop on Thursday, September 25th 2014.

During the event, in which more than 210 business executives, members of the government, academics and law practitioners participated, conclusions of the study were discussed and specific recommendations were made towards the solution of the problems presented. The event included also:

- **A round table** discussion with regards to the Strategy for accelerating Justice
- **Three thematic workshops** concerning the following: a) tax disputes and resolution, b) Public procurement – public works disputes and resolution and c) Bankruptcy and Conciliation procedures.

The goal of the thematic workshops was to discuss on realistic and realizable solutions towards accelerating the disputes resolution system. The discussion focused on the more specialised findings, conclusions and recommendations of the study concerning the aforementioned areas.

The results of the aforementioned consultation verified the findings and were used for the final formulation of the present study.

6 Implementation requirements

6.1 Integrated implementation mechanism

To substantiate the selections made and to optimise implementation monitoring and the programme's technical support, the Mechanism can be supported by the Business Environment Observatory, through the studies and research it conducts, as well as through its monitoring and measurement mechanisms

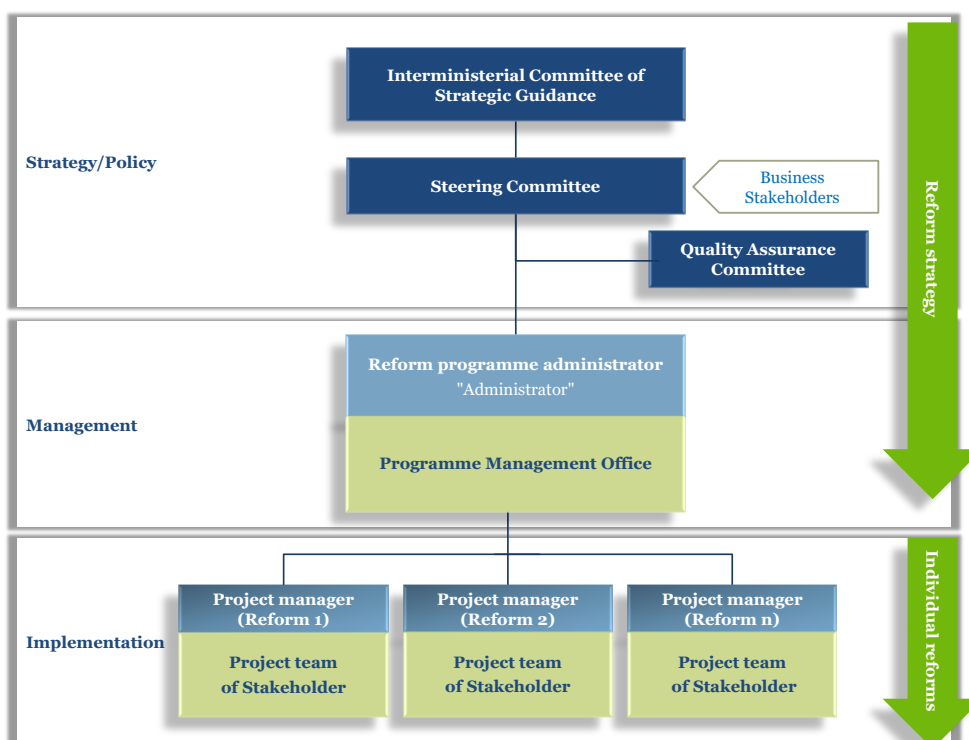
The successful and rapid implementation of the recommended measures calls for an integrated Central Reform Measurements Implementation Mechanism which will undertake:

- the planning of the Reform Programme as well as guidance and monitoring of implementation
- programme management and
- technical and legal support for the implementation of various relevant projects.

Moreover, the mechanism will monitor the implementation of measures for the application of better law principles and tools as well as the improvement, in general, of the State's functioning.

Furthermore, the provision of technical support must be ensured by organising a Programme Management Office.

Graph 5. Ενδεικτική δομή του Μηχανισμού



Important success factors of the recommended mechanism's operation include the following:

- **Clear structure** and organisation of the mechanism across all structures of public administration.

- **Full clarification of roles** and responsibilities of the reform implementation mechanism.
- Recruitment of the **appropriate personnel**.
- **Effective communication** among stakeholders.
- Develop an **express process for recruiting** external associates in teams.
- **Realistic scheduling** of individual actions.
- Utilisation of **performance measurement indices** in order to be able to monitor the degree of achievement of every reform goal.

6.2 Road map

The reform implementation requires that a road map be designed, which will capture:

- The reform **vision** and the implementation **strategy**
- The **operational implementation programme**: detailed description of projects and expected results, detailed and realistic timetable as well as key performance indicators

Graph 6. Indicative plan for subsequent actions

Subsequent actions	2nd semester 2014	1st semester 2015	2nd semester 2015	2016	2017 +
Finalise recommended measures	▶				
Organise an integral implementation mechanism		▶			
Plan an operational implementation programme		▶			
Prepare a Communication plan for change management		▶			
Implementation of A priority measures			▶		
Implementation of B priority measures			▶		
Implementation of C priority measures				▶	
Implementation monitoring and assessment	▶				

- **Communication plan** for change management: detailed description of actions for the full and timely update of all parties involved in the implementation of the reform.
- **Structure and organisation** of the mechanism, roles and responsibilities.

