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Introduction

The Greek Antipoverty Network is an independent body with 34 social organisations as members that provide support to socially excluded groups. It is a founding member of the European Anti-Poverty Network (EAPN). The network's goals are to reduce poverty and inequality, to give a voice and increase the participation in decision-making of individuals affected by poverty.

The present report is the fifth one prepared by the Network and was completed in November 2023. All previous such reports were structured to include testimonies of people experiencing poverty, the latest statistical data from ELSTAT and the results of other comprehensive studies and reports, with a special emphasis on documenting the experiences of organisations based on the relationship between workers and the individuals they support, along with recommendations and proposals. This year’s Poverty Watch has been produced and written based on EAPN’s initiative on a new format and content which may serve as a pilot report for future publications.

However different the structure of and research for this report might be, everything still converges on the fact that poverty is deepening. Additionally, the 2023 report particularly addresses the issue of fiscal justice. This issue runs through the respective reports of all members of the European Anti-Poverty Network for the current year, which is dedicated to preventing austerity and the Underfunding of Social Rights.

We were called upon as a national member to contemplate, from an interdisciplinary perspective, the choices regarding the country’s public spending and to reflect on what happened in the past year. The questions that concerned us had to do with the reforms announced or implemented by Greece concerning the underfunding or the refunding of state welfare and social policies, the possible changes made to income flows (income collection), the role played by EU structural funds, the tax reforms for the current year 2022-2023, what happens with the funding of green and/or digital transitions, who were the target groups/ recipients of the reforms, what are the positive aspects, what are the gaps, and, finally, what are our recommendations to ensure adequate state welfare.

The vision of the EAPN for the Welfare State relates to the idea that the welfare state is a term used to describe policies through which the government provides basic services and social protection to those in need, aiming to ensure individual and collective well-being. Furthermore, the welfare state must secure quality working conditions, access to justice, equality, and funding for equality and anti-discrimination policies. In the EAPN’s perspective, this includes accessible, affordable, and quality basic services, as well as adequate social protection for everyone.

Beneficiaries of social provisions, along with civil society organisations supporting them, should participate in the implementation, monitoring, and evaluation of social protection programs, which should be conducted at least once a year. Recently, the welfare state has also gained a digital dimension, with more and more basic public services becoming increasingly digitised and relying more on automated decision-making processes and algorithms.

Moreover, the welfare state must be cross-sectoral to reach all communities in need and leave no one behind. To be a sustainable welfare state, it is essential to ensure tax justice, including fair income collection, the assessment of the impacts of tax allowances and private relief, addressing tax evasion and avoidance, ensuring the progressiveness of tax systems - in income tax, corporate taxation, property tax, inheritance tax, preventing regressive VAT and consumption taxes, addressing potentially reverse impacts of environmental
taxes, exploring new sources of taxation in financial transactions, while simultaneously preventing austerity measures and budget cuts.

**Essential services** are services of general interest of an economic and social nature, which are essential to the lives of the population and where the public authorities must ensure adequate standards for all. They cover a broad range of activities and vital services which lie at the heart of European social protection systems. To EAPN, they include: energy, transport, financial services, digital communications, education, healthcare, housing, food, healthcare, water, sanitation, and social services. Access to such services is a fundamental social right and their accessibility, affordability and adequacy should not be subject to other conditions. They should be a complement to effective social protection systems and enabling minimum income schemes.

Given the drafting of this report prior to the end of the year, the following data pertains to the preceding period, the characteristics of which directly influenced the current situation.

**International context**

The year 2023 witnessed the conclusion of the alarm caused by Covid-19, leaving behind serious global health, social, and economic consequences. These consequences, combined with the war in Ukraine, the energy crisis, the climate of insecurity, ongoing climate change, the rise or consolidation of the far-right, and extensive natural disasters, form an explosive mixture that fuels poverty and possibly a new food crisis. In this pervasive atmosphere, according to the *World Inequality Report 2022*, Greece finds itself with the lowest 50% of its population having more debt than wealth on average.

According to the United Nations over the past three years, poverty rates in already poor countries have surged, with the number of additional people living on less than $3.65 a day reaching 165 million in 2023 according to the new policy brief from the United Nations Development Programme (UNDP). The total of these additional poor reside in low- and lower-middle-income economies, with the poorest 20% in low-income countries suffering even more, with their incomes still below pre-pandemic levels in 2023. In response to the crisis, the UNDP calls for adaptable social protection and a "Debt Suspension for Poverty Eradication" to redirect debt repayments toward critical social expenditures.

From the United Nations Development Programme (UNDP) and the Oxford Poverty and Human Development Initiative (OPHI), it is revealed that 25 countries have successfully halved global MPI values within 15 years, showing rapid progress in reducing poverty. However, the lack of comprehensive data post the COVID-19 pandemic for most of the 110 covered countries complicates a full assessment of the pandemic's impact on poverty. Overall, the MPI highlights achievements in reducing poverty but underscores the importance of informed data for a comprehensive understanding and ongoing progress toward poverty alleviation goals.

**European Union**

The rising cost of living is currently the most pressing concern for 93% of Europeans; poverty and social exclusion follow (82%).
Adequate Minimum Income Recommendation

One of the major developments the Council of the EU has promoted this year is issuing a Recommendation concerning Adequate Minimum Income Schemes in its member aiming to combat poverty and social exclusion by promoting adequate income support, effective access to services, and fostering inclusion in the labour market. It urges member states to strengthen social safety nets, establish minimum income, and pursue the sustainability of public finances.

The situation in Greece

The train tragedy in the Vale of Tempe, the National and Municipal and Regional Elections, the extensive flooding, the wildfires, the wiretapping scandal, pushbacks and racist behaviour particularly against refugees, asylum seekers and Roma, the Pylos shipwreck, the increase of prices and inflation, the digital transition, the gentrification have all factored in the deepening of inequality and civil unrest, which, however, has not yet become broadly prevalent. The Greek government has experienced positive economic developments, particularly in fiscal performance. In 2022, a primary surplus of 0.1% of GDP was achieved, contrary to earlier predictions of a deficit. This outcome positions the government to meet fiscal targets in the current and future years. Currently, the government is in the process of finalising the Stability Program for 2023-2026, with an anticipation of a primary surplus for the present year, potentially exceeding the budgeted 0.7% of GDP. Governmental Projections for 2024 and beyond indicate a trend of increasing primary surpluses, deemed crucial for ensuring debt sustainability.

The positive fiscal performance in 2022 is attributed to factors such as economic growth and inflation, contributing to higher tax revenues and a reduction in deficits and debt as a percentage of GDP. The text acknowledges adjustments made by Eurostat in calculations, impacting reported debt reduction. Challenges may arise in 2023 due to fiscal adjustments made in 2022, and the government is expected to navigate these challenges carefully. The importance of fiscal discipline and commitment to targets is stressed, with the ruling party's upcoming economic program expected to prioritise fiscal responsibility.

The Hellenic Statistical Authority (ELSTAT - EUROSTAT, May 2023) relayed the following:
The poverty threshold for a single-person household in the country is 5,712 euros annually, and for households with two adults and two dependent children under 14, it is 11,995 euros. This threshold is set at 60% of the median total equivalent disposable income of households, estimated at 9,520 euros, while the average annual disposable income of households in the country is estimated at 18,563 euros.

In the previous year (income in 2021), 18.8% of the total population was at risk of poverty, marking a decrease of 0.8 percentage points compared to the previous year. Of the households, 14.6% reported an increase in income over the last twelve months, 15% reported a decrease, and 70.4% reported no change. The pandemic was cited by 26.1% as the main reason for income increase or decrease, with 6.1% reporting an increase and 20% a decrease.

According to the ELSTAT survey on the risk of poverty and social exclusion:

- Households at risk of poverty are estimated at 742,235 out of a total of 4,049,102 households, and their members at 1,945,199 out of a total of 10,399,329 people in the estimated population of the country living in private households.
In five regions (Crete, Attica, South Aegean, Epirus, and Thessaly), poverty rates are lower than the country's average, while in the remaining eight regions, they are higher.

The risk of poverty is estimated at 25.9% for those who have completed preschool, primary, and the first stage of secondary education, 18% for those who have completed the second stage of secondary education and higher education, and 7.2% for those who have completed the first and second stages of tertiary education.

The poverty rate before all social transfers is 46.1%, and when only pensions are included, it decreases to 23.6%. Social transfers, including social benefits and pensions, reduce the poverty rate by 27.3 percentage points.

The poverty rate is higher for women (19.4%) compared to men (18.2%), with a decrease of 0.4 and 1.2 percentage points, respectively, in 2022 compared to 2021.

The risk of poverty for individuals over 65 is estimated at 17.6% for women and 13.6% for men. For individuals over 75, the risk is 16.8%, while for those under 75, it is 19.1%. The poverty risk for women over 75 is 19.5%, and for men in the same age group, it is 13%.

The poverty risk for households with one adult and at least one dependent child is 37.7%, for households with three or more adults with dependent children, it is 21.7%, and for households with two adults and two dependent children, it is 18.9%.

Workers aged 18 and over face a lower risk of poverty compared to the unemployed and economically inactive. The poverty rate for workers aged 18 and over is 10.6%, showing a decrease of 0.7 percentage points compared to 2021. The poverty rate decreased by 1.1 percentage points for working women aged 18 and over, while it decreased by 0.3 percentage points for working men, with the respective rates being 7.7% and 12.7%.

The population at risk of poverty or social exclusion, under a revised definition, is 26.3% of the country's population, showing a 2% decrease from 2021. The 'Europe 2030' program aims to reduce this by 15 million people, including 5 million children, by 2030.

Using the definition until 2020, the population at risk is 29.1%, indicating a 0.4% decrease from 2021. The 'Europe 2020' program aimed to reduce this by 20 million people by 2020.

The reduction in the risk of poverty or social exclusion is attributed to decreases in low work intensity (9.5% in 2022 from 12.1% in 2021) and the population at risk of poverty (18.8% in 2022 from 19.6% in 2021). The risk is higher for children aged 17 and below, standing at 28.1%.

The shares of people at risk of poverty or social exclusion varied across the EU countries in 2022. According to Eurostat, the highest values were reported in Romania (34%), Bulgaria (32%), Greece and Spain (both 26%).
Data and Methodology

For Poverty Watch Pilot 2023, the Greek Antipoverty Network proposed a structure and a methodology for data aggregation that would combine methods to render this a tool for Advocacy on Poverty and Social Exclusion. To do this we tapped into EAPN expertise, made use of old and new processes and combined a survey of CSOs with a focused PeP report, research made by public, scientific or labour institutes, data gathered by the Hellenic Statistical Authority involving people experiencing poverty all the way. This pilot initiative leverages EAPN Network expertise to create a concise analytical report, shaping policies with input from those in poverty.

To craft a compelling advocacy text, we need impactful statistics and facts for monitoring reality. Therefore we devised a model of aggregating data that includes: Official data and reactions by officials, EAPN member organisations data and reactions by personnel and PeP, as well as Expert data and reactions, with a focus on:

1. The particular context; socioeconomic Indicators; and, policy and legal Framework.
2. A theme decided by EAPN Europe as a main concern each year as is done so far according to advocacy targets and major political events. This year’s theme was Fiscal Justice.
3. Themes the EAPN country member deems significant for their specific advocacy targets. For Greece in 2023 these were Vulnerable Populations, Social Services and Welfare Systems, the Labour Market, Income Inequality, Housing and Homelessness and, at an introductory level, the Urban-Rural difference and Intersectionality and Discrimination.

Data and Methodology explained, Case Studies provided and Recommendations rounded up in a Concluding argument make for Poverty Watch Pilot for Greece 2023.

Although not all sections have been addressed fully this first time of implementation mainly due to time restraints it is advisable to include all the more thematic sections to be able to craft an inclusive picture of the reality of vulnerable groups in each country. Also advisable is to have one person assigned in each organisation as responsible for the data gathering, preferably the person who represents the organisation in the local EAPN.
The data

The particular sources of our data were EAPN Greece Database (media articles, reports, statistics, research), ELSTAT - Hellenic National Statistical Authority, Eteron Institute for Research and Social Change, IME GSEVEE - Institute of Small Businesses of the General Confederation of Professionals Craftsmen Merchants of Greece, the Rosa Luxemburg Stiftung, the Nikos Poulantzas Institute, the Reverter Hub, the Heinrich Böll Stiftung and expert researchers.

Fiscal Justice

To enhance the quality of public services, particularly in essential sectors like healthcare, education, and social welfare, it is imperative to first demonstrate political will and subsequently secure the necessary revenue. Approximately 40% of the Gross Domestic Product (GDP) is derived from taxation, making it a crucial factor in sustaining public services. Recommendations encompass three key areas: A) Fairer Taxation B) Provisions - Benefit Policy and C) Consumer and Income Protection. By focusing on fair taxation, inclusive benefit policies, and robust consumer and income protection measures, the state can better fulfill its commitment to delivering high-quality public services.

Fiscal Justice traverses the bulk of this Poverty Watch and constitutes its main body.

The Survey

The survey on poverty and social exclusion in Greece for the year 2023 was conducted by the Greek Antipoverty Network and received 30 responses, compared to 26 in the 2022 survey. Software provided by surveyplanet.com was used for the implementation of the survey. The survey took place from July 1st to August 30th, 2023, essentially covering the first half of 2023. The findings involve experiences from civil society organisations operating in the field, with contributions from 30 representatives of organisations covering a wide range of service providers.

It is evident that the most pressing issue faced by vulnerable individuals reaching out to these organisations is the continuous worsening of their situation and concern about what the immediate future holds, given the rising prices of food, consistently high energy costs, and the disproportionate housing expenses relative to their income. This occurs in a time when healthcare services are difficult to access, and the coverage of the needs of vulnerable groups, if recognised at all, is only partial. The key message was that the destitution at all levels appears to have increased and is visible from the first encounter with the people.

Questions asked included: the most important problems / needs of beneficiaries; problems that appeared for the first time or intensified in comparison to 2022; measures that facilitated the work done in CSOs and the situation of the beneficiaries; measures that impeded the work and the situation of the beneficiaries; potential difficulties stemming from the digitalisation of the social services; the current financial situation of the beneficiaries; measures deemed necessary to have been taken; health status of beneficiaries; impact on the
daily life of beneficiaries due to inflation and ongoing increases in the price of staples; tax burden; difficulties CSOs are currently facing; field of action of participant organisations; services provided; geographical scope; staff; number of beneficiaries.

Responses to the survey have found their way in the Poverty Watch section on Vulnerable Groups.

The full Survey 2023 can be found as Annex 1.

People experiencing Poverty Report 2023

Streamlining PeP participation in EAPN’s Poverty Watch is a longstanding goal. Our member organisations serve people experiencing diverse forms of poverty and exclusion. While material and income poverty are familiar, there are other dimensions like lack of decision-making power, time constraints, and dependency within households. These experiences should shape Poverty Watch content, authored by those directly affected. Priorities from focus groups and the previous year's PeP report should guide Poverty Watch, enhancing its advocacy impact.

This year’s PeP Report focused on energy poverty, housing precarity and food insecurity. The research on which this threefold report is based was conducted in September and October 2023 and involved 21 people who experience poverty or social exclusion, individually and/or in focus groups. During the research period it was made possible to form the delegation of the Greek Antipoverty Network for the 21st European PeP Meeting.

Highlights from the Report on Energy Poverty include the following:

Interviewees revealed adjustments in their lifestyles due to the energy crisis, emphasising economic consumption. However, this led to degraded living conditions, compounded by pressure to pay high energy bills amidst reduced incomes. State programs, such as the National Scheme for Energy and Climate and the "Exoikonomo kat’oikon | Save at home" initiative, aim to alleviate this burden. Despite awareness, participants expressed dissatisfaction with the effectiveness of these measures. Social isolation resulted from their vulnerable position, reinforcing the belief that individual solutions are needed to address energy poverty.

Food Insecurity Highlights:
Focus group participants criticised Greece’s social policy as fragmented, short-term, and benefit-focused, lacking inclusivity. State measures were deemed incomplete, with insufficient coordination among welfare service agents. While CSOs filled gaps left by the state, participants noted their weaknesses in resource management. The system’s design and scheduling were considered inadequate, emphasising the need for more comprehensive, coordinated, and long-term approaches to address food insecurity effectively.

Housing Precarity Highlights:
Survey participants initially attributed housing exclusion to individual factors, but in focus groups, a shift occurred toward understanding it as a result of broader social and economic conditions. This shift correlated with higher educational levels in the focus group. Social bonds were identified as a protective factor, preventing social exclusion despite experiencing housing precarity. The findings underscore the importance of considering socioeconomic factors in understanding and addressing housing precarity beyond individual responsibility.

The full PeP Report can be found as Annex 2.

The final step of the Pilot Poverty Watch is to communicate it accordingly to a specifically designated audience following a well-tailored communication plan. This process should be documented and delivered by the end of each year to be used for action and advocacy, inform policy recommendations, advocacy efforts, or community initiatives that address the issues of poverty and social exclusion.

The overall result was monitored by Experts although the formation of a more permanent pool of specialists is deemed necessary in the future.

**Socioeconomic indicators**

**Counting poverty**

What is poverty, and how do we gauge it using quantitative indicators? In the context of Greece, the focus is primarily on relative poverty, denoting a situation where an individual faces economic constraints, hindering full societal participation compared to others in the community.

Relative poverty in Greece isn't solely determined by an absolute low-income threshold but takes into consideration the social and cultural affluence of the society. An individual is considered relatively poor if their economic resources are limited compared to the societal average, even if their income is sufficient for survival. This emphasizes the impact of social and cultural wealth on poverty assessment.

Understanding relative poverty is crucial for formulating policies that target social inequality reduction and promote social justice.

**A) Relative poverty as in "Risk of Poverty"**

The risk of poverty assesses the likelihood of an individual, household, or family falling below a specified poverty threshold, often based on income or social status. Expressed as a percentage, it signifies the probability of falling below the poverty threshold. This concept is vital for evaluating social inequality and security, calculated by determining the percentage of people or households living with incomes below the country-specific poverty threshold.

Factors influencing the risk of poverty encompass income, employment, education, health, social protection, social cohesion, and other societal aspects. A crucial aspect is the consideration of income-economic criteria,
where the risk of poverty is defined as the percentage of people in households with disposable incomes less than 60% of the national median equivalent income. The median income is the midpoint of the income distribution, with those richer or poorer in equal numbers. In 2021, the median income was 8,752 euros per person, rising to 9,520 in 2022.

<table>
<thead>
<tr>
<th>person</th>
<th>household</th>
<th>Ref year</th>
<th>60% of the median total equivalent disposable income</th>
<th>median annual disposable income</th>
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<td>4,917</td>
<td>10,326</td>
<td>2018 (research of 2019) publ. 2020</td>
<td>8,195</td>
<td>16,147</td>
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<tr>
<td>5,269</td>
<td>11,064</td>
<td>2019 (research of 2020) publ.2021</td>
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<td>5,251</td>
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<td>2020 (research of 2021) publ. 2022</td>
<td>8,752</td>
<td>17,089</td>
</tr>
<tr>
<td>5,712</td>
<td>11,995</td>
<td>2021 (research of 2022) publ. 2023</td>
<td>9,520</td>
<td>18,563</td>
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The poverty line or poverty threshold is defined based on the above at 5,712 euros per person and at 11,995 euros for households with two adults and two children.

It’s noteworthy that the poverty risk rate, excluding social transfers like pensions and allowances, is 48.2%. Without pensions, the risk increases by 23.5%, and without allowances, it rises by 5.1%. These findings emphasize the substantial role of allowances and pensions, reducing the overall risk of poverty by 28.6%.

Another relevant indicator is the depth of poverty, measuring how far an individual's income deviates from the poverty threshold. This metric, often calculated as a percentage, helps assess the severity of poverty. In 2022, the depth of poverty decreased to 23.8% of the poverty risk threshold, suggesting a notable improvement compared to the previous year. This implies that around 50% of the poor have incomes below 76.2% of the poverty risk threshold (equivalent to 5,712 euros annually per person), showing a decrease of 2.6 percentage points from 2021.

However, it’s crucial to consider that ELSTAT’s data may not fully represent certain population groups, such as the homeless, undocumented immigrants, and mobile populations. Additionally, the exclusion of individuals in collective dwellings limits the assessment of poverty’s actual extent. ELSTAT’s indicators are valuable for tracking year-to-year differences and trends in poverty but may not provide a comprehensive view of its overall scope.

B) Risk of poverty or social exclusion

In this case, three (3) indicators are considered, namely income poverty (risk of poverty), access to seven (7) basic goods out of a total list of thirteen (13) goods and services (this is the SMD - Severe Material Deprivation indicator), and the employment intensity of the household. In this context, EUROSTAT and the Hellenic Statistical Authority (ELSTAT) use the composite indicator AROPE (Persons Living At Risk Of Poverty or Social Exclusion), which is more complex and records higher rates of the risk of poverty, as it takes into account all three factors mentioned above.
The latest version of the AROPE indicator will be utilised to evaluate the "Europe 2030" goal, i.e., to reduce the number of people in poverty by 2030. It measures the economic inability to access at least seven (7) basic material goods from a list of thirteen (13).

The lack of seven (7) out of these thirteen (13) goods indicates that the individual is living in conditions of material deprivation.

The percentage of the population with severe material and social deprivation has remained the same as last year’s 13.9% based on the “Europe 2030” index and at 15.6% (from 14.8% in 2022) based on the “Europe 2020” index.

An alternative measure of economic inequality is provided by the Gini coefficient, which is not affected by the extreme values in the income distribution. The Gini coefficient was estimated at 31.4% in 2022, indicating a decrease of 1 percentage point compared to 2021. In comparison to the other eight EU countries for which there is data, Greece ranks fifth based on the Gini coefficient at 31.4%, with Bulgaria in the first position, achieving a score of 38.4.

Additionally, 17.4% of the country's population is at risk of poverty when calculating the indicator based only on the equivalent expenditure related to market acquisition (17.1% in 2021). However, the indicator decreases to 13.4% of the population (12.2% in 2021) when taking into account all consumer expenditures, regardless of the mode of acquisition (explicit rent from ownership, self-produced goods, goods and services provided free of charge by the employer, other households, non-profit organisations, the state, etc.)."

**European Semester Country Report**

Greece excels in certain environmental sustainability areas (SDGs 7 and 12), particularly in renewable energy and reduced greenhouse gas emissions. However, it lags behind in other indicators, including energy poverty and responsible consumption (SDG 12).

Regarding fairness-related indicators (SDGs 1, 3, 4, 5, and 8), Greece's social and labour market situations have improved but remain less favorable than the EU average. For example, material deprivation and overburdening housing costs are higher in Greece. Although some equality aspects (SDGs 5 and 10) have shown improvement, the employment rate of women is significantly lower than men, and gender disparities in leadership positions persist. Health indicators (SDG 3) display a higher life expectancy but also an increasing prevalence of smoking and challenges in access to healthcare.

In terms of productivity-related indicators (SDGs 4, 8, and 9), Greece demonstrates mixed performance. The country performs well in certain education aspects, such as low early school leaving, but shows disparities in various education and innovation metrics compared to the EU average. Despite improvements, the employment rate, long-term unemployment, and youth not in employment, education, or training remain less favorable in Greece compared to other Member States.

Greece's macroeconomic stability indicators (SDGs 8 and 16) indicate lower GDP per capita, low investment levels, and higher reported crime or violence compared to the EU average.
European Commission

Amid one of the highest inflation rates in Europe, Greek households are grappling with significant financial pressure, compelling them to exhaust their savings to meet monthly expenses. Data from the European Commission underscores Greece's distinct challenges with savings depletion as Greek households, already characterised as among the most pessimistic in Europe, are drawing from their savings to address the heightened cost of living, surpassing their European counterparts by a considerable margin; the Impact of Inflation, since in contrast to the European average of 37% of consumers tapping into savings due to inflation and the energy crisis, Greece reports an alarming 58%, the highest within the EU-27; Economic Concerns, as Greece leads in consumer apprehension about the economic situation in the next six months and their ability to cover essential bills; the Energy Crisis Impact, because the energy crisis disproportionately affects Greek households, with 52% facing challenges in paying energy bills, a sharp contrast to the European average of 16%, and, Changed Habits, since approximately 77% of Greek consumers are adjusting their daily routines to reduce household energy consumption, ranking third in Europe, where the average is 71%. The European Commission's findings align with a survey conducted by the Union of Greek Consumers, highlighting that Greeks are scaling back essential daily activities to navigate the challenges posed by the energy crisis.

OECD

The OECD analysis of the Greek economy reveals persistent issues despite optimistic tones associated with neoliberal policies. Key concerns include the ineffectiveness of public administration, a burdensome regulatory framework, and the impact of a combination of neoliberal policies and patronage practices. The anticipated recovery in investments for economic diversification and job creation has not materialised, leading to a modest GDP increase and a rise in the current account deficit. The weakening of the banking system, a legacy of austerity measures, and the "internal devaluation" period have contributed to the lack of sustainable structural characteristics in the economy. Despite an expected high unemployment rate, there is a claim of a shortage of skilled labour. The report also comments on the dynamics of public debt, expressing concerns about achieving an "investment-grade" rating. Lastly, the text questions the adequacy of the OECD's approach, rejecting the narrative that frames employer-state confrontation as the starting point for analysing economic problems. Overall, the analysis provides insights into the complexities and challenges facing the Greek economy.

Bank of Greece

According to the Bank of Greece report there is a significant deterioration in inequality, poverty, social exclusion, and living conditions in the country since 2019. Additionally to data above, unemployed individuals (45.4%), economically inactive non-retired individuals (27.3%), households with dependent children (23.6%), and children aged up to 17 (23.7%) face a higher risk of poverty in Greece.

On an EU level, the average equivalent individual disposable income in Greece decreased by 0.9% in 2021 compared to the previous year, with 20.4% of respondents attributing the main reason for income reduction to the pandemic.
The pensioner poverty situation dramatically worsened, with 44.86% of retirees (1,106,341) receiving a primary pension of up to 658 euros net (700 euros gross).

Specifically:

36.82% of retirees (908,125) receive up to 600 euros gross (564 euros net).
26.56% of retirees (655,195) receive up to 500 euros gross (470 euros net).
44.86% of retirees (1,106,341) receive a pension of up to 700 euros (44.86% of the total 2,465,985).
36.82% of retirees (908,125) receive a pension of up to 600 euros.
26.56% of retirees (655,195) receive a pension of up to 500 euros.

**Hellenic Statistical Authority - ELSTAT**

While price increases in food items lead households to spend more on specific needs, they purchase fewer goods. These findings arise from ELSTAT's research on family budgets in 2022 (conducted on a sample of 6,196 private households nationwide).

According to this research:

The average annual expenditure of households for purchases amounted to €19,204.08 (€1,600.34 per month), recording an increase of 12.7% in current prices compared to 2021.

50% of households spend more than €1,289 per month.

Households residing in rented accommodation spend 17.4% of their budget, on average, on rent.

The largest share of the average household budget, in current prices, concerns food and non-alcoholic beverages (20.9%), housing (14.5%), and transportation (13.3%) while the smallest share of expenditures (3.4%) corresponds to education services.

Regarding expenses for food and non-alcoholic beverages, compared to 2021, there is an increase in the average monthly expenditure in meat, vegetables, flour, bread, cereals, dairy products and eggs, oils and fats, mineral waters, soft drinks, fruit and vegetable juices, fish, and fruits.

Regarding the average monthly consumption (quantities) of food items, alcoholic beverages, tobacco, fuels, and electricity, increases are observed in the consumption of food and alcoholic beverages and tobacco, hinting on people trying to find solace in doubtful practices. At the same time decreases are observed in the consumption of olive oil, yogurt (7%), fish (6.7%), milk (5.5%), fruits (4.2%), meat (2.2%), cheese (2%), bread, bakery products (1.5%), pasta (1.3%), vegetables (1.3%) and rice (1.1%).

The households of the poorest 20% of the population increased their expenditures by 7.8% compared to 2021, while the households of the richest 20% of the population increased by 11.2%.

**Policy and Legal Framework**

The EU will invest over EUR 5.3 billion in ESF+ funds in Greece to promote employment, skills upgrading (including for the digital and green transitions), quality and inclusive education and training, as well as high-quality and accessible social inclusion services.
ESF+ investments will support the modernisation and increased effectiveness of labour-market institutions and education and training systems, as well as social and health policies. The measures put in place will provide employment opportunities for jobseekers, with a focus on long-term unemployed, women, young people and those in active working age. Upskilling and reskilling opportunities, entrepreneurship and social economy support will be expanded. Emphasis is given on ensuring inclusive education at all levels and aligning the vocational and education system with the needs of a dynamic labour market. Support will be extended through the Alma initiative and individual learning accounts. Investments in social innovation will be enhanced.

ESF+ investments in Greece will contribute to improving the quality of life by increasing the availability of social, educational, healthcare and long term care services. Particular focus will be given to marginalised communities and vulnerable groups, such as persons with disabilities, migrants and the Roma minority. Children will receive better start in life thanks to measures delivered under the Child Guarantee, increasing their participation in early childhood education and care programmes, inclusive education for children with disabilities and integrated measures to reduce child poverty.

Greece is committed to using these investments to achieve its 2030 targets under the European Pillar of Social Rights by raising the employment rate to 71.1%, adult participation in education to 40% and decreasing the number of people at risk of poverty and social exclusion by nearly 860 000.

The ESF+ in Greece is implemented via the national Human Resources and Social Cohesion Programme, as well as 3 sectoral and 13 regional programmes, comprising funding from both the European Regional Development Fund (ERDF) and the ESF+.

**Implemented state policies – Welfare - STRUCTURAL CHANGES**

With Law No. 4921/2022, titled "Jobs Again," the establishment and operation of a new employment organisation were institutionalised, replacing the old OAED (Manpower Employment Organisation). The Public Employment Service (PES) aims to strengthen employment and combat unemployment, care for the unemployed, especially those belonging to vulnerable social groups, provide allowances to specific categories of workers, and offer vocational training to the workforce, connecting them to the labour market.

**REVERTER’s survey on the energy needs of households in Athens Urban Area**

This survey was conducted within the context of the REVERTER project to map the energy needs of households, the Greater Athens area) and identify the direction of future energy saving measures to reduce their energy costs. The main findings include:

**Socioeconomic Profile:**

- Most households (32%) included two persons, with 23% having three persons, 26% four or more persons, and 18.3% consisting of single-person households.
- Approximately one-fifth of households had at least one member with a disability or long-term illness, and 16.3% had at least one member in long-term unemployment.
The average net monthly income for survey participants was €1,825, with an average total monthly household expenditure of €1,430. About 47.5% of households reported struggling to cope with their current income.

Housing and Heating System Characteristics:
- Around 40% of dwellings were constructed before 1980 and lacked basic insulation standards.
- Most dwellings (39.5%) were privately owned without financial obligations.
- About 56% of households used central heating systems, predominantly heating oil (41.1%) and natural gas (14.5%).
- Approximately 20% of households operated their heating system for less than 2 hours per day or not at all, resulting in over half reporting indoor temperatures below the recommended range.

Energy Costs and Poverty:
- The average total energy cost per year was about €1,900, exceeding the average net monthly income.
- Various indicators revealed concerning levels of energy vulnerability, with about half of households reporting an inability to adequately heat or cool their homes.
- Approximately one-fifth of households reported arrears on energy bills, and 5% experienced electricity/gas supply disconnections in the last 12 months.
- Around one-third of households reported health issues related to inadequate heating and/or high moisture.
- About 80% of households restricted the use of electricity, 75% restricted heating use, and 50% restricted hot water use to afford energy costs.
- Roughly 36% of households spent more than 10% of their net income on energy services.
- 10% of households spent more than twice the national median on energy bills, while 7% had energy expenditure below half the national median.
- A negative trend between income and energy expenditure was observed, with a notable percentage of households at risk of energy poverty that could be alleviated through energy efficiency upgrades.

Research by Rosa Luxemburg Stiftung on Social Cohesion and the Impact of Welfare Policies on Migrants

This report delves into Greece's policies particularly on third-country nationals' integration into the social protection system, highlighting challenges and social exclusion. The focus extends to welfare benefits and migration, revealing hurdles for migrants, refugees, and asylum seekers, exacerbated by legal dependence on the state and employment-related barriers. Recent legal provisions, while aiming at equal treatment, often impose disproportionate burdens. Recognised refugees theoretically have access to more benefits, but practical barriers hinder utilisation. Asylum seekers are excluded from national programs, relying on temporary EU-funded initiatives. The undocumented population faces complete exclusion, contributing to discriminatory approaches.

The overview below outlines the legal conditions, disparities, and challenges faced by third-country nationals in accessing various national welfare benefits in Greece as well as EU-funded programmes supporting asylum
seekers, refugees, and unaccompanied minors in Greece, emphasising the evolving nature, challenges, and limitations of these initiatives.

**National Welfare Benefits Overview:**

(a) **Housing Allowance:** Legal residence conditions favor international protection beneficiaries, while TCNs face twelve years' residency requirements, excluding many due to tied access to legal status. (b) **Child Allowance:** Similar residence conditions apply, disproportionately excluding international protection beneficiaries based on legal status. (c) **Birth Allowance:** Conditions favor long-term legal residents, disproportionately excluding international protection beneficiaries tied to legal status. (d) **Disability Benefits:** Access depends on disability assessments, but challenges in the digital process exclude many international protection beneficiaries. (e) **Minimum Income:** Introduced in 2017 for extreme poverty, it poses challenges for single parents due to document requirements and lack of access. (f) **Uninsured Retiree Benefit:** Beneficiaries face permanent residence requirements, excluding those newly recognised. Participation in social tourism supports integration. Certain allowances, like those for students and specific regions, are exclusive to Greek and specified citizens, excluding TCNs.

**EU Funding Support Overview:**

(a) **ESTIA Programme:** Started in 2015 by UNHCR with EU support, evolving to ESTIA II by the Greek government in 2020. Capacity increased but reduced to 10,000 places by April 2022, leaving vulnerable asylum seekers without adequate care. (b) **Cash Programme (ESTIA Cash):** Implemented by UNHCR and the Greek government with EU support, providing basic needs for asylum seekers. Handed over to the Ministry of Migration and Asylum, abruptly stopped in October 2021 but resumed in March 2022. Not available to self-accommodated asylum seekers, creating integration barriers. (c) **HELIOS Programme:** Funded by the EU and implemented by IOM for refugees recognised after January 1, 2018. Set to expire in September 2023, with limited scope for beneficiaries recognised after January 1, 2018. (d) **Supported Independent Living for Unaccompanied Minors:** Cares for unaccompanied minors aged 16 to 18, involving 241 residing in Semi-Independent Living (SIL) apartments from February 2022 to January 2023. Coordination by the National Centre for Social Solidarity (EKKA).

You can access the full report [here](#).

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*Highlights from our survey (Annex 2) is that the civil society organisations are filling in for the shortages of the state when it comes to social services, many times with a small number of employees trying to serve a rather large number of vulnerable people like Mission ANTHROPOS or Ladies’ Union of Drama and that there is a 280% increase in applications for the free meal programme (Prolepsis) but a decrease in focal points covering nutritional needs (PRAKSISS)."*

**PUBLIC EMPLOYMENT SERVICE - unemployment**

1. Twenty-one employment support programmes for 2023 were made public.
2. In 2023, the payment of a value bonus of €300 is gradually implemented for each long-term unemployed individual who successfully completes a Digital Individual Action Plan. The beneficiaries of the programme are registered unemployed individuals for over 5 years who create a Digital IAP and have income up to €16,000 for single individuals, €24,000 for married individuals (increased by €3,000 per child), or €27,000 for single-parent families (increased by €3,000 per child).

3. The reintegration into the workforce of 15,000 long-term unemployed individuals has been initiated, and an additional 5,000 job positions with this profile have been announced. The programme’s duration is 12 months, extendable for another 12, with a monthly subsidy amounting to 75% of the salary and insurance contributions, up to €750 per month.

4. Employment opportunities for unemployed individuals have been extended beyond the age of 67, up to 74. Specifically, facilitation measures have been legislated for long-term unemployed individuals nearing retirement age to be employed through programmes in public law entities and local authorities, in order to meet retirement requirements.

5. For most of the employment programmes, a comprehensive assessment is expected by the end of 2023. According to data released by the Hellenic National Statistical Authority-ELSTAT in June 2023, unemployment fell to 11.1%, compared to June 2022. The unemployment rate for women decreased to 14% from 16.7% in June 2022, and for men, decreased to 8.7% from 8.9%. In significant age groups, the unemployment rate for the 15-24 age group was 23.6%, down from 31.6% a year earlier, and for the 25-74 age group, it was 10.5%, down from 11.3%. Additionally, according to ELSTAT’s labour force survey, the employed population reached 4,189,862 individuals, increasing by 46,574 compared to June 2022 (1.1%) and by 32,310 compared to May 2023 (0.8%).

PUBLIC EMPLOYMENT SERVICE - Housing policy

The new Public Employment Service (PES) also undertook the implementation of the new housing policy as described in Law No. 5006/2022, titled "My Home." The key components it includes are as follows:

Programme "KALYPSI | COVERAGE" : Utilisation of the ESTIA II - ESTIA21 programmes, which ceased to benefit asylum seekers for housing, and the re-targeting to cover beneficiaries of ages 25-39, eligible for the Adequate Minimum Income, who do not own a primary residence. The programme is implemented in collaboration with local authorities (OTA). The government covers the rental expenses of private residences for three years, which cannot exceed the rental amount at which the residence was made available under the aforementioned "ESTIA II" and "ESTIA 2021" programmes, adjusted for changes in the annual Consumer Price Index of ELSTAT for 2022. Contracts have been signed with 14 municipalities so far, but results have not been announced.

"Home Loans" Programme: Involves the provision of low-interest or interest-free housing loans to young individuals and couples aged twenty-five (25) to twenty-nine (39) for the purchase of their first residence. The loans are granted through partner banks, and the application is submitted to a bank of the borrower's choice. Applications began in April 2023, and by June 2023, homebuyers have found homes, and loan processes for repairs and purchases have been approved for 28% of the applications.

Social Housing Benefit: Envisions the utilisation of public properties through collaborations with the private sector for the construction of social housing. The programme has not yet been implemented.
**Renovate - Rent:** Subsidises the repair of residences with the aim of making them available for rent. Property owners or custodians participating in this programme, through the Unified Digital Portal of Public Administration (EPP-gov.gr), offer one (1) of their properties for residence, subject to certain conditions regarding the profile of the beneficiaries. The programme has not been implemented yet.

Finally, the management of the entire housing stock of the former Workers' Housing Organisation, which was abolished by the Memorandum of 2012, has legislatively passed to the responsibility of the Public Employment Service (PES).

**Increases in salaries / pensions / benefits**

As of April 2023, the new minimum wage came into effect, set at €780, reflecting a 9.4% increase. Correspondingly, the minimum daily wage also increased. From €29.04 in February 2019, it rose to €29.62 in January 2022, €31.85 in May 2022, and in April 2023, it further increased to €34.84 (a total increase of €5.8). These changes resulted in an increase in unemployment benefits, which amounted to €479 per month, up from €438 in May 2022, €407 in January 2022, and €399 in February 2019. The cumulative increase in unemployment benefits since 2019 is €80 per month.

Simultaneously, the selection of recipients of the Minimum Guaranteed Income was expected for participation in training/employment programmes with the goal of their (re)integration into the labour market. Additionally, programmes for training, employment, and social inclusion for the Roma community were anticipated. The commencement of a digital training programme for the elderly was also expected. Finally, regulatory interventions are being promoted for the Unified Digital Gateway for access to Social Protection.

The leadership of the Ministry of Labour and Social Security, along with the administration of the Public Employment Service, is working on expanding the duration of unemployment benefit payments for those who have worked for several years and contributed social insurance contributions. This includes incorporating the allowance for long-term unemployed individuals of €200 into the extended benefit.

**Pensions**

The national pension of €426 will be received by beneficiaries of disability pension with a disability percentage of over 80%. Those with a disability percentage from 67% to 79.99% will receive €320 (75% of the national pension) from €310 today.

Also, the minimum pension limit due to a work accident or professional illness, which until 31.12.2023 amounts to €827.52, is automatically adjusted, and from 01.01.2024, it will amount to €853.16.

**Benefits**

An 8% increase in welfare benefits for 2024 has been announced. The table below summarises the reduction in the disbursement of various benefits, such as the adequate Minimum Income, family allowance, housing allowance, and birth allowance, for the first quarter of 2023 compared to the corresponding period in 2022. There is a slight increase in disability benefits, social solidarity benefits for the elderly, while the disbursement amount for uninsured elderly benefits remains almost unchanged.
Impact from the structural changes in Tax Offices

Since March 2020, the reconstruction and digitisation of Tax Offices' services have been underway. Several services have been merged, and gradually, by 2023, public service is digitally accessible, with only very few exceptions. All requests are now recorded electronically. The newly announced hirings through ASEP (Supreme Council for Civil Personnel Selection) seem not to be sufficient to cover the necessary positions in the Tax Offices. The processing time for requests has more than doubled, and while digitisation has been beneficial in some cases, overall, it has increased the burden on both taxpayers' time and their wallets. The pace of changes and digital illiteracy have made support from an accountant absolutely necessary.

The association of freelance tax professionals has issued several announcements expressing its opposition to the burden placed on the industry in the face of digitisation. They emphasise the need for continuous training seminars to adapt to frequent changes and ultimately question the effectiveness of the changes and the role that tax professionals are expected to play in this context.

The associations of tax professionals working in tax offices stated emphatically in May 2023: “From 2011 until today, our services have lost approximately 50% of their human resources. Specifically, in the Attica region, the problem is so extensive that there are services where there is an inability to perform basic functions crucial for collecting public revenues and serving citizens.”

Tax justice

Tax justice encompasses ensuring fair revenue collection, evaluating the impact of tax gifts and relief to private entities, addressing tax evasion and avoidance, ensuring the progressiveness of tax systems—income, corporate, wealth, property, inheritance taxes—avoiding regressive VAT and consumption taxes, mitigating the potentially regressive impact of environmental taxes, exploring new sources of taxation for financial transactions, all while preventing austerity measures and budget cuts.
Approaching the tax system in Greece

In Greece today, 40% of the GDP comes from taxation (direct and indirect). Within OECD countries, this percentage brings Greece close to the average. However, the way revenue is collected, the disproportion in the source of income between direct and indirect taxes, as well as the tax rates imposed, create a framework that raises serious concerns regarding the issue of tax justice.

During the crisis period in Greece, the state, in order to meet its revenue commitments while the GDP was constantly shrinking and it had not managed to control tax evasion/avoidance, increased tax indicators. Since the economic crisis, all direct tax rates have increased: all VAT rates, all special consumption taxes - cigarettes, alcoholic beverages, heating oil, electricity, natural gas, etc. - taxes on car ownership and purchase, and new taxes have been added, such as the Single Property Tax (ENFIA).

Indirect taxation: the VAT

This refers to a mandatory tax for EU countries, with a minimum tax rate of 15%, while two reduced rates are allowed, not lower than 5%. "Special rates" are also allowed as exceptions to the above rules.

In Greece, the VAT is set at 24%, making it the 4th highest tax in the EU. There has been no discussion of reducing VAT or taxes in general in 2023 or 2024. During the presentation of the draft State Budget for 2024, the Minister of National Economy and Finance, Kostis Hatzidakis, claimed that "in the 2023 budget, it was achieved to have a significant increase in tax revenues by 9.1% compared to 2022 without increasing taxes.".

The Value Added Tax (VAT) covers 60% of indirect tax revenue, making it the most essential tax imposed. In Greece, the VAT rates are as follows: the standard rate is 24%, the reduced rate is 13%, and the super-reduced rate is 6%. These rates are 30% lower for certain islands in the eastern Aegean. Despite the flexibility and zero rates approved by the EU Council on December 7, 2021, no use was made of these options in Greece, as occurred in other countries, especially regarding food and energy.

Direct taxation

In the EU, the ratio of direct to indirect taxes is approximately 1:1. In Greece, however, the ratio is 1:2, significantly lower than the EU average. Paradoxically, while revenue from direct taxation is relatively low, the tax rates, compared to other EU countries, are exceptionally high. It appears that those who cannot or do not wish to conceal income bear the majority of the burden of direct taxation.

Lack of studies addressing tax evasion, especially among the wealthier segment of the population, contributes to a discussion on direct taxation that mainly focuses on declared incomes and perpetuates the stereotype within the Greek state that self-employed professionals are the champions of tax evasion.

According to data from the Independent Authority for Public Revenue (AADE), the average declared family income is around €12,000, and the top 20% of earners have incomes exceeding €19,000. This wealthiest 20% contributes three-quarters of the total income tax revenue. The tax system would be progressive if the Greek state had successfully addressed the issue of tax evasion. Another dimension negatively impacting the current reporting is the lack of visibility beyond declared income. Consequently, the government hesitates to reduce taxes like VAT, which would benefit more households but reduce indirect tax revenues. Instead, it tackles
significant issues arising from poverty, such as the high cost of food and energy, through targeted policies with strict income criteria, as declared.

**Distortions:**

1. Distribution of income from direct taxation: As mentioned earlier, out of the €10 collected in taxes, €2 come from natural persons, and only €0.90 come from legal entities (which includes all corporations).

2. Rates:

<table>
<thead>
<tr>
<th>From</th>
<th>Up To</th>
<th>Taxation</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 €</td>
<td>10,000€</td>
<td>9%</td>
</tr>
<tr>
<td>10,001€</td>
<td>20,000€</td>
<td>22%</td>
</tr>
<tr>
<td>20,001€</td>
<td>30,000€</td>
<td>28%</td>
</tr>
<tr>
<td>30,001€</td>
<td>40,000€</td>
<td>36%</td>
</tr>
<tr>
<td>40,001€</td>
<td>∞</td>
<td>44%</td>
</tr>
</tbody>
</table>

The seemingly correct progressive taxation in the above table is undermined:

A) When incomes of €40,001 and €100,000, for example, fall into the same maximum tax rate (44%).

B) When incomes are taxed separately and thus subject to different tax brackets. For example, since 2013, income from rents is taxed differently from the incomes of employees/pensioners, and in certain cases, low-income pensioners. Under the previous tax system, the rental income could have remained below the tax threshold, but now it is taxed separately. The same applies to dividends (stocks, etc.). Even if one calculates that profits/dividends have already been taxed earlier in the company that generated them at 22%, the final tax rate with dividends is around 26%, as opposed to the 44% for an employee/pensioner. While theoretically this injustice is intended to attract state investments and is relatively acceptable at 22%, taxing dividends at 5% is not fair. Greece is one of the few OECD countries where this happens; usually, the effort is to reduce the percentage on profit generation and increase the percentage distributed as dividends.

**Impact of the inflation crisis on household spending**

High inflation, beyond its general economic impacts, also has a significant redistributive dimension. The Hellenic Statistical Authority calculates the Consumer Price Index as the weighted average of changes in prices for smaller groups of goods and services (e.g., bread, cigarettes, olive oil, electricity, etc.). However, this index does not provide sufficient information on how the cost of living has increased for different types of households.

Professor Georgia Kaplanoglou, Associate Professor at the Department of Economics of the University of Athens, examined food items and energy (70 subcategories for which the expenses of 6,500 households are recorded) using microdata from the Household Budget Survey to calculate the inequality in the burden of households from the inflation crisis that started in 2022.
The poorest households face significantly higher percentage increases in their cost of living. According to the most recent inflation data (Aug-2023), the poorest 10% of households should increase their total expenses by >14% to maintain a stable consumption of food and energy, while the corresponding percentage for wealthier households is just over 5%. The escalating differentiation in the impact of inflation against the poorer strata worsens over time, as shown in the diagram below.

More specifically, the burden on the family budget of households, especially the poor, increases rapidly due to the price increases in food.

The percentage increase in household energy consumption also disproportionately affects the poorest 10% of households.
The burden on the family budget from transportation fuels (e.g., gasoline) is proportionally much smaller and is relatively higher for middle to wealthy households.

The burden on the family budget has acquired a dynamic driven primarily by continuous increases in food prices. We observe the representation in the comparative chart below.
Taking the prices of August 2023 as a reference, a family with two children belonging to the middle distribution of households would need an additional €2,200 annually to maintain a stable food consumption. Instead of a more progressive taxation policy (as explained above), the government relied on the policy of "pass" (vouchers). The Food Pass, priced in January 2023 for a couple with two dependent children, corresponded to €52 per month. Recent studies show changes in households’ purchasing habits, with consumers reducing the quantities they buy and turning to low-nutrient foods, primarily considering price rather than quality.

On the issue of rented housing

According to Eurostat data (2023), approximately 830,000 people are experiencing extreme poverty, while housing conditions are excessively deteriorating due to rising rents, the increase in foreclosures, incidents of energy poverty, and the privatisation of the energy market (Kourachanis, IME GSEVEE - Institute of Small Businesses of the General Confederation of Professionals Craftsmen Merchants of Greece (2023). The government has failed to control skyrocketing property rental prices and has not taken steps to create a housing stock for social housing in Greece.

According to Eteron Institute’s 2022 research, The issue of rising rental prices, combined with the overall increase in housing expenses and the cost of living, is now one of the greatest concerns for citizens, especially the youth. A notable development is the significant increase in the percentage of young people considering the lack of housing as one of the main factors of concern for the future, as indicated in the 3rd round of the youth survey by the Nikos Poulantzas Institute. The percentage almost doubled from 16% in the two previous waves of the survey (2020 and 2021) to 30.4% in 2022, in conjunction with low wages and the issue of unemployment.

Access to rental housing is becoming increasingly challenging as rental prices are very high in relation to incomes and wages, with continuous upward trends in recent years. Especially for low-wage workers near the minimum wage and households with low income, the ratio of rent to income is prohibitive.

In Greece, the problem is particularly intense in the Municipality of Athens and major urban centers, in areas with increased tourist activity, as well as in smaller cities with a student population or a population of seasonal
and temporary workers who are compelled to relocate for employment reasons (e.g., substitute teachers, etc.). According to the data from ELSTAT (Hellenic Statistical Authority) Regarding housing costs, renters are the group facing the greatest challenges. **79.2% of renters bear an excessive burden from housing expenses, compared to 21.15% of homeowners.** Therefore, housing expenses constitute a factor that significantly contributes to the increase in inequalities.

This year’s Survey showed the following:

**Impact on the daily life of your beneficiaries due to inflation and ongoing increases in the price of staples:**

![Chart showing impact on daily life of beneficiaries due to inflation and rising costs](chart.png)

Given the ongoing crisis caused by the high cost of living and in relation to Question 1 about the most significant problems identified by civil society organisations that contributed to our 2023 survey, we sought to explore the impacts they observe on the daily lives of the people they serve, particularly due to inflation and continuous increases in essential living expenses. These, as it seems, downgrade their quality of life (36.7%) and cause difficulty in their survival (33.3%), while, to a significant extent, also force them to choose between meeting some needs over others (16.7%). However, some organisations mentioned that all the choices provided in the questionnaire represent situations they encounter.
Reports of beneficiaries for excessive direct tax burden:

Regarding this year's theme on fiscal/tax justice, 66.6% of the organisations declare a burden of a degree greater than "slight," mainly ranging around the average scale.

Vulnerable Populations

Identification and analysis of the problems facing vulnerable populations disproportionately affected by poverty and social exclusion; exploration of factors contributing to the vulnerability of these groups.

In a country where more than 500,000 individuals aged 25-45, not only possessing greater skills but also more creative prospects, have departed in the last 12 years, and child poverty hits 28.5% Istands at 28.5%, it is imperative that we research vulnerable populations. With their assistance and the support of those who advocate for them, we can propose targeted interventions. This approach includes policy evaluation, wherein assessing the impact of policies on vulnerable populations informs policymakers about the effectiveness of current initiatives, ensuring resources reach those in need. The discussion on vulnerable populations also emphasises the importance of upholding human rights, advocating for policies that promote equality and well-being. A comprehensive understanding is gained by exploring the experiences of vulnerable groups, providing insights for interconnected solutions. Addressing the needs of vulnerable populations contributes to social cohesion, fostering a more inclusive and harmonious society.

For these purposes, we conducted the 2023 Survey on poverty and social exclusion in Greece that gathered experiences from civil society organisations operating in the field, with contributions from 30 representatives of organisations covering a wide range of service providers.

It is evident that the most pressing issue faced by vulnerable individuals reaching out to these organisations is the continuous worsening of their situation and concern about what the immediate future holds, given the
rising prices of food, consistently high energy costs, and the disproportionate housing expenses relative to their income. This occurs in a time when healthcare services are difficult to access, and the coverage of the needs of vulnerable groups, if recognised at all, is only partial.

**What made an impression:**

- The identification of absolute poverty (e.g., Médecins du Monde, EmfaSis) added to the recognition that the beneficiaries of organisations are in very poor conditions (e.g., ARSIS).
- The multifaceted action of organisations: organisations successfully operate in various fields and offer a wide range of vital services (e.g., KMOP).
- In several cases, a very small number of employees are called upon to serve a large number of beneficiaries (e.g., Mission ANTHROPOS, Ladies’ Union of Drama).
- The observation that unemployed individuals lost their benefits because they worked for a short period as enumerators during the National Census 2021 conducted from February 15 to 21, 2022 (Together for the Child).
- The report that "everyone does what they want" within the framework of implementing laws and procedures (Municipality in Attica).
- The reference to a 280% increase in applications for a free meal programme (Prolepsis) but a decrease in spots where nutritional needs are catered for (PRAKSIS).
- The identification of tax vulnerability among the beneficiaries.

As expected, **28 out of the 30 contributors state that economic needs and a lack of sufficient resources are the most significant problem their beneficiaries have faced throughout the year** (15.9%).

**Living conditions for vulnerable people have not improved compared to the previous year.**

**Issues of housing and homelessness** are reported by nine organisations reporting an increase in evictions this year. Requests related to energy poverty have also intensified. Following this is an increase in demands for food and essential items, with a notable demand for hygiene products for girls. Requests for assistance in covering utility bills, purchasing medications, debt repayment, and increased problems with energy poverty are also noted.

The destitution at all levels appears to have increased and is visible from the first encounter with the people.

50% of the contributors declared no **measures** that **facilitated their work** and made the situation of their beneficiaries easier existed during the year, and the intensity of bureaucracy was given as a general comment. Nevertheless, the measures taken for particularly economically pressured households are positively evaluated, such as

- the market pass—although it does not constitute a solution to the problem
- the nationwide phone helpline for psychological support,
the disability card, which, in combination with the law on escorts for people with disabilities and other laws, significantly reduced the burden on families with children with special needs,
the reduction of the Single Property Tax (ENFIA), and the option of non-payment for specific cases of vulnerable social groups.

66.6% of the respondent organisations identify difficulties such as insufficient information, non-implementation of measures in force or technical problems and the closure of ESTIA, which housed asylum seekers in urban areas, and other programmes.

In looking into the existence of difficulties faced by the beneficiaries of the contributing organisations regarding the utilisation of social benefits and allowances that concern them, as applications and procedures are now exclusively conducted online on relevant platforms, only 2 organisations (6.7%) state that they have not observed such difficulties, and that their beneficiaries manage to complete the processes on their own. However, all the remaining contributors note difficulties, albeit to varying degrees.

No organisation characterises the economic situation of its beneficiaries as "satisfactory." On the contrary, 36.7% observe that the people they serve struggle significantly to survive, and 26.7% of the organisations see that the situation is deteriorating. Similarly, an equal percentage acknowledges that their beneficiaries face difficulties but can cope with them. The inability to survive and the descent into absolute poverty are at the bottom of the scale.

Regarding the measures that should have been taken during the current period, the overwhelming majority of contributing organisations (26) state that interventions should have been made regarding price increases in essential goods.

Regarding the health of those served by contributing organisations, 60% characterise it as "moderate" on a 5-point scale, while no one declares that the health of the people they serve is "very good." On the contrary, 33.3% rate it as 2, indicating it falls between "poor" and "moderate," essentially describing it as "relatively poor."

Regarding this year’s theme on fiscal/tax justice, 66.6% of the organisations declare a burden of a degree greater than "slight," mainly ranging around the average scale.

The organisations of civil society per se, individuals working in the field who encounter the real problems of vulnerable people every day, and the difficulties they face are of great importance to our survey. The most significant challenges they face include their funding (27.3%), whether it involves continuing or completing programmes, undertaking new ones, or utilising new or existing financial resources.

The profile of the organisations that contributed to our survey this year is diverse and, therefore, considered representative.

For the Annual Poverty Watch in Greece, we exclusively collaborate with entities and organisations operating in the field and are at the forefront of addressing the basic needs of vulnerable populations and people experiencing poverty. All contributors provide services as follows this year:

Social services are available from 25 organisations (12.6% of contributors).
Psychological support is offered by 22 organisations (11.1%).
Handling bureaucratic matters is provided by over half of the entities to their beneficiaries.
Medical-psychiatric services and education-training are offered by 14 organisations (7.1%).
- Childcare, creative activities, and cultural-entertainment-artistic activities are provided by 13 organisations (6.6%).
- Medication distribution is conducted by 12 organisations (6.1%).
- Shelter structures, as well as accompaniment and mediation services, are offered by 11 organisations (5.6%).

The scope of action and service provision of the contributing civil society organisations in our current survey is predominantly local, accounting for 53.3%.

Regarding the number of people employed in contributing organisations, in 18 out of the 30 organisations, the staff consists of more than 25 professionals, 5 organisations report having 11-25 members, two organisations have 6-10 people in their workforce, and another 5 have the minimum number, 1-5.

Regarding the number of vulnerable individuals served by contributing organisations, 50% of the organisations serve over 1000 people annually, 33.3% provide services to 101-1000 vulnerable individuals, and 16.7% of the organisations serve up to 100 people.

The full Survey 2023 can be found as Annex 1.

Urban – Rural divide and intersectionality concerns

Study of the urban-rural divide and its impact on poverty and social exclusion, considering factors such as access to services, employment opportunities, and social infrastructure is vital for the purposes of Poverty Watch Reports and will be included in the following Poverty Watch surveys.

The urban-rural divide and intersectionality are connected in the context of researching poverty and social exclusion through their shared emphasis on understanding the complexity of human experiences and social dynamics.

The urban-rural divide highlights disparities in geography, infrastructure, and lifestyle, acknowledging unique challenges faced by people in these areas. It examines how these differences contribute to uneven economic opportunities and social exclusion, guiding the formulation of policies addressing regional inequalities, promoting infrastructure, and ensuring equitable resource distribution. This divide is pivotal in shaping research and policy development.

Intersectionality, with limited data in the Greek context, explores interconnected social identities like race, gender, socioeconomic status, and geography. It recognizes unique challenges for individuals with overlapping identities, such as rural women or urban minorities, stemming from various social factors. This perspective reveals how overlapping identities increase the risk of social exclusion and poverty due to discrimination on multiple fronts. Intersectionality guides policies tailored to diverse groups, advocating for research capturing urban and rural population diversity, fostering inclusive and effective solutions by acknowledging varied community experiences.
In essence, both the urban-rural divide and intersectionality underscore the importance of considering diverse factors that contribute to social disparities. Researching poverty and social exclusion with a connected focus on these concepts enables a more nuanced understanding and the development of holistic, inclusive strategies to address these complex issues.

The urban-rural divide encompasses social, economic, cultural, and geographical distinctions between urban and rural areas. Addressing poverty and social exclusion in relation to this divide is essential for comprehending the challenges faced by affected individuals and the underlying factors. Economic impacts vary for populations in urban and rural settings, influencing their contribution to and benefit from the economy, potentially hindering overall growth. Health disparities and limited access to essential services in rural areas are valid concerns, impacting overall quality of life and contributing to a cycle of urbanization in repeated historical patterns.

Limited data on the urban-rural divide exists, with rural areas receiving less attention. Yet, they are linked to fewer opportunities across various essential aspects of a fulfilling life, including health access, transportation, education, low income, and declining population.

However, ELSTAT has found that the highest average annual expenditure was recorded in the Attica region, reaching €22,305.84, while the lowest was in the Sterea Ellada region, amounting to €13,828.56. The average annual expenditure of households in 2022 is reduced by 24.5% compared to 2008.

Households residing in rural areas spend an average of €1,322.53 per month, while those in urban areas spend €1,677.66. Therefore, households in rural areas spend, on average, 21.2% less than households in urban areas. Households in the Attica region spend, on average, 116.2% of the country's average monthly expenditure, while those in the Sterea Ellada region spend 72% of it. In 2022, compared to 2021, households in the Attica region increased their expenses by an average of 13.3%, while those in the Central Macedonia region increased by 14%.

According to Friedrich Böll Stiftung's Rethink! Ideas Forum and Vyron Kotzamanis, professor at the Department of Spatial Planning, Urban and Regional Development Engineering at the University of Thessaly, while Greece has a high urbanisation rate in Europe, the urban population constitutes 80%, with 20% residing outside urban and suburban areas. The concentration of 80% of the population in Athens and Thessaloniki, covering only 3% of the land, indicates overpopulation in a very small percentage of the country’s surface area.

The urban-rural divide is not between smaller urban centers and rural areas but is prominent between Athens and Thessaloniki and smaller urban regions. This divide is shaped by post-war political and economic development, internal migration trends, external migrations in the 1960s-70s and 1990s-2000s, and the recent economic crisis. The aging population is a significant concern, particularly in rural areas where 22% are over 65, projected to be 33% by 2050. Certain regions will have over 30% of the population over 65 in the next 10-15 years, with mountainous-semimountainous and inland areas facing the highest aging rates. Aging populations are associated with lower educational levels, and there is a correlation between poverty and education. Efforts to revitalise rural areas face challenges due to the lack of policies and disregard. The digital revolution lacks health, welfare, and a critical mass of productive individuals in rural areas. The fear of further abandonment and overurbanisation, coupled with climate change, could intensify problems in Athens and Thessaloniki.
The conservation of the environment outside major urban areas is at risk, leading to ecological issues. The post-war development model, once based on upward social mobility, is no longer sustainable. Overeducation and abandonment of small places of origin have contributed to this model's decline. The inability of rural areas to access suitable technologies for agriculture further exacerbates the problem.

The urban-rural divide in Greece is as defined as follows:

- working populations transfer from the rural to the urban areas if they can’t find job opportunities,
- Social services are problematic, e.g. primary schools are sparse and hospitals can be as far as 50 klm from a residential rural area,
- food and water scarcity along with natural disasters are prevalent
- the country is still low in digitalisation,
- new ways of agriculture and collaboration need to be fostered,
- rural women are usually caregivers
- agricultural abandonment is extensive with less than 3% of agricultural land which will still vanish by 2030.

Research conducted by Kapa Research and the Heinrich Böll Foundation highlights the gap between urban and rural areas in Greece. The survey, conducted in November 2022 with a sample of 1,639 individuals from specific regions (Attica, Central Macedonia, Ioannina, and Crete), reveals that one in two Greeks is contemplating or planning to relocate their children away from their place of residence.

The research focuses on the impact of disparities on people's lives and governance levels, highlighting significant living condition discrepancies. Many are contemplating leaving due to the declining environment, particularly in rural areas facing economic challenges like high living costs, financial struggles, unemployment, and poverty. Demographic concerns, notably an aging population and youth migration, are identified as national issues, with rural areas experiencing more pronounced severity than urban centers.

Participants recognize the repercussions of demographic challenges on their lives, local economies, quality of life, and infrastructure. There's a consensus on the need for a national plan to address these issues, with both central government and local administrations held responsible for both causing and resolving the problems. Local authorities are seen as pivotal in regional development and crucial for strategizing a reversal of demographic decline.
The problems that primarily concern the overwhelming majority of respondents are issues of an economic nature: precision, financial difficulties, unemployment, and poverty. Failure of local government and administrations. Finally, there is a consensus in the responses regarding the level of administration tasked with solving the problems, as the majority of respondents state that both the central government and local administration are responsible for both creating and resolving the issues.

Local authorities play a crucial role in reversing demographic decline and contributing to regional development. The research indicates that 3 out of 10 people don't find their current residence suitable for a decent life, particularly affecting younger age groups, especially in Central Macedonia, and causing financial concerns in regions like Epirus.

6 out of 10 believe that limited prospects force youth to leave their areas, with unemployment being a major concern nationwide. Over half feel their region lags in infrastructure, and a similar percentage perceives unequal opportunities for social and professional advancement compared to the rest of the country.

Approximately 22% are contemplating or planning to move, increasing to 50% when considering their children's relocation. The degradation of the living environment is a common reason, suggesting a potential significant wave of departure that could impact the country.

Respondents agree on the shared responsibility of the central government and local administrations in creating and resolving these issues, emphasizing the crucial role of local authorities in strategic planning for demographic reversal.

According to Eurostat within rural areas, male employment rates were persistently higher than female employment rates across all of the EU Member States in 2021. There were 12 Member States where the gender employment gap for rural areas was in double-digits in 2021. This gap was more than 20.0 percentage points in Italy, Greece and Romania (where a peak of 28.2 points was observed). These gaps may be explained, at least in part, by the particularly low level of female employment rates; for example, less than half of all working-age women were employed in Greece and Romania.
Policy measures that seek to promote, among other actions, childcare support, working from home, flexible working hours, part-time work or other forms of atypical employment – tend to enhance women’s participation within the labour force. Looking in more detail at part-time work, its prevalence within the EU has steadily increased during recent decades. This can be seen as a positive development if it reflects, on the part of employees, a genuine choice to improve their work-life balance, or if it increases employment opportunities among individuals previously excluded from the labour market. However, some part-time work is involuntary: for example, people who accept part-time work because there is a shortage/absence of full-time posts, or people who cannot reconcile their working lives with family responsibilities without reducing their working hours.

Across the EU Member States, the share of female employees (aged 20–64 years) in rural areas working with a fixed-term contract was generally higher than the corresponding share for male employees. In 10 southern and eastern Member States as well as in Ireland, the share of employees in rural areas with a fixed-term contract was higher than the national average for men and also for women; these gaps were particularly apparent in Greece. Also in Greece, male unemployment rates for rural areas were higher than average (while female rates were lower than average).

The EU’s gender unemployment gap (for people aged 15–74 years) for rural areas remained relatively stable during the period from 2012 to 2021. The female unemployment rate had been 0.9 percentage points higher (than the male rate) in 2012, with this gap rising to 1.1 points the following year. The gender unemployment gap thereafter narrowed to 0.7 points in 2020, before increasing marginally a year later to stand at 0.8 points in 2021; see Figure 16.

The unemployment rate for females living in rural areas was generally higher than the rate for males. In 2021, this pattern was observed in 18 out of 26 EU Member States (no data for Malta), with the largest gender gaps observed in Greece (where the female unemployment rate for rural areas was 6.4 percentage points higher than the male rate) and Spain (where the female rate was 5.5 points higher).

The biggest gender gaps – with lower youth unemployment rates for males – were observed around the Mediterranean in Spain, Cyprus, Croatia, Italy and Greece; in the latter, the female youth unemployment rate for rural areas was 15.1 percentage points higher than the corresponding male rate.

The data indicate specific challenges within the Greek rural labour market, primarily concerning female employment rates, gender gaps in employment and unemployment, as well as issues related to part-time work and fixed-term contracts. More specifically, economic instability, gender disparities, vulnerability to poverty, limited economic participation, and potential social exclusion. Addressing these disparities is crucial for fostering a more equitable and inclusive society.
Case Studies

Examining specific individuals, vulnerable groups, or events as case studies is crucial for understanding and addressing poverty and social exclusion. In this section, we present testimonies and stories collected by a professional social worker from various civil society organizations. Each testimony is titled with the organization's name and relevant identification traits, providing insights into diverse approaches and outcomes in tackling these issues.

Below you can find a representative sample. For the sum of the Case Studies please refer to Annex 4.

CARITAS Athens

A.N. refugee 35 years old, single parent family with two minors

“The situation stresses me out because of the children. The always rising rent also stresses me as well as the electricity bills and the supermarket and everything, that the children want things... you know. I pay 280 euros in rent every month; sometimes if I don’t have it, I give it the next month so I end up having to pay more and that stresses me out. Mostly for the children because I can’t make it... Food doesn’t stress me so much because everything I have, I give to my children. If it were possible for the state to help me with the rent, I don’t have a problem to find a steady job and work, I will manage, I am sure of myself. With two children I go to the supermarket every day and I don’t work every day; whoever takes me for work I go, and how much can I make? 40 or 30 euros? I give everything to the supermarket.”

G.S. 41 years old, long term unemployed, single parent family with 2 children

“I can’t easily find work... My rent, the water, electricity, what my children ask for, it is difficult for all these to be taken care of when there is no work. I wish the state could support single parent families more; especially the mothers who struggle for some children who have health problems. I wish for jobs that can support us, because we are mothers; when you are a mother the employer tells you “I can’t take you because you have two children and you will have to leave at 13.30 or 14.00 to take them from school”. Some financial support from the state since I am unemployed and trying to find work [would be a solution] because there are also unemployed people who sit around just to get the benefits. I wish the state could see through DYPA that I am trying to get a job but can’t because of the situation with the employers.”

BABEΛ, mental health unit for migrants

N. woman, single parent family with three daughters

N. has been living in Greece with her three underaged daughters for more than four years and her application for asylum has been rejected twice. In our first appointment while she talked about the violence she and her daughters suffered from in her country she talked even more and with details about the “violence” she suffers
from in Greece, the rejections, the confusion with the services, the organisations, the precarious accommodation:

“We were for 2.5 years in a shelter in Kallithea... I had to go through the interview over skype; they had notified me two days earlier; I had no preparation with a lawyer. Then we waited for the results for a very long time, then came the rejection...in Alimos, then the appeal then the second rejection... I had gone to a private lawyer [and] I cancelled the contract with him/her; now I am elsewhere... I feel helpless because I can’t provide for my children, I feel my life is useless, my children haven’t yet gone to school. When I see police in the street, I think this is not over; I hear a voice telling me we will kill you like we did your husband and I break in tears every time.”

After taking the medication the intrusive thoughts are constrained, however, the issue of accommodation remains: "We leave every morning for the park, or some organisations. Then we return to the church at night. From the church they urge us to leave; I explained to them how the situation is but they told me we need to leave by Friday".

Ms N. and her daughters are accommodated in a dormitory. When one of her daughters saw the conditions there again, where all the women sleep in a ward, she broke out in tears saying: "Mum until when will we go on like that? How long is this going to take?" In the dormitory ready-made food is provided to them. This food, however, is not to her daughters’ liking because it is completely different from theirs. "They prefer being fed on milk only" she tells us. Despite the deadlock and the initial disappointment ms N. acknowledges that things are going somehow better. She is stressed about the future; how she is going to find work and support her daughters alone. "One by one" and "little by little" we tend to say during our sessions, now she has ensured some things, the rest will come and she goes on with hope and decency.

Ms N. is a real role model for all of us.

GIVMED: Testimony of a beneficiary of the social pharmacy

G.A., 55 years old, of Greek origin, unmarried and without a supporting environment, lives alone.

He does not have a monthly income and resides, as we found out during a visit to his house, in a ground-floor studio apartment. He pays rent (200 euros) and is at risk of eviction without a lease or contract, as well as owes money for electricity. As he stated, his paternal home, where he resided until 2022, was auctioned off. He had been informed that by the end of July 2023, he must vacate the residence, with a visible risk of being left on the street. He worked as a food distributor in a catering chain until May 2023. He is currently unemployed due to dizziness symptoms that prevented him from working as a distributor. His current health condition is as follows: insulin-dependent, renal insufficiency, hypertension, severe dizziness symptoms without apparent organic causes. He was hospitalised in early June 2023 at a public hospital. He turned to the Municipality’s Social Service due to his financial difficulties and the serious health problems he is facing, in order to be included in the Social Pharmacy. He needs assistance regarding medication, the Social Grocery Store for food provision and inclusion in the 'Housing & Employment for the Homeless" programme.

EmfasiS Non-Profit

Beneficiary, 70 years old, mother of many children, in a homeless situation.
"I believe now that I am unlucky... Before, I used to say it's a coincidence, it will pass, something better will come... Difficulties happen to everyone after all. In the end, it's not just a rough patch, it's misery. Don't let me tell you what I went through as a child. Violence and abuse from my own parents. I barely escaped being on the "sidewalk"... Oh yes, here's something I was lucky about! And then, to escape, I got a man... what can I say! Worse than my father... And just when I managed to escape, me and my kids, at the same time, the love of my life appeared. My man, my pillar. He loved me and my little ones... he even wanted them to have his name. More than his own! He treated me like a queen, I lacked nothing. I thought I had found peace, that I would grow old with a smile and dignity... And he was taken away from me! Do you hear me? He was taken away from me so suddenly... Why? From then on, just begging... I struggle for the rent all day long and the landlady threatens me and humiliates me in the building. The electricity bill is 1500 euros..."

Intersex, hosted out of necessity

"No one understood me... Since my childhood, even before I changed my identity, I felt marginalised and attacked everywhere. Because of this behavior, I never finished school. When I mentioned I was planning to undergo gender transition, my parents kicked me out of the house. Elefsina is a closed community, and they couldn't bear what they considered disgrace. I left for Athens at 16 and tried to find a job to proceed with the process. After several failed attempts and encountering various 'well-wishers,' a boy I fell in love with over time helped me. However, he turned out to be a hypocrite too. He exploited me and threw me away like trash when he found out I was HIV positive. Now I'm trying to survive on my own, and unfortunately, I can hardly afford the medication. We, the members of the LGBTQI+ community, are marginalized, and most 'normal' people don't understand our pain because they see us as 'unnatural.' I see that the younger generations are more open to diversity, and I hope someday all this will change... it must change!"

Recommendations

Recommendations for an adequate welfare state

In order for the state to provide public services of high quality in essential goods such as healthcare, education, and social welfare, it is necessary to have, initially, the political will and subsequently, the revenue. As seen above, around 40% of the Gross Domestic Product (GDP) comes from taxation. Our proposals touch on three levels. Firstly, the establishment of a fair tax system based on progressive taxation to ensure that the poorest households do not bear the brunt of crises. Secondly, facilitating access to benefits and social assistance policies for those entitled. Thirdly, implementing policies that safeguard consumers and incomes from crises and inflation.

A) Fairer taxation

The aim of the state should be to change the structure of the tax system by addressing the collection inequality at a 1:2 ratio between direct and indirect taxation.

- Direct tax rates should be distributed more progressively across the income scale.
- Incomes should be aggregated and taxed progressively regardless of their sources.
● Utilise the flexibility granted by the EU regarding VAT imposition on significant food products and energy but exhaust these possibilities.
● Make the calculation of the Single Property Tax (ENFIA) even more progressive.
● Provide incentives for tax compliance and reward individuals who adhere to tax regulations.
● Tax properties that remain vacant for a considerable period, using the revenue for housing policy.
● Increase taxation on dividend income, using these funds for welfare policies.

B) Provisions - benefit policy

● Real Rent Subsidies for Low-Income Beneficiaries: Provide actual rental subsidies to those with low incomes, aligning them with market rental rates.
● Upgrade the Minimum Guaranteed Income: Enhance the Minimum Guaranteed Income, both in terms of the recipients and the amount itself, aiming to cover at least the annual poverty threshold for as long as it is provided.
● Eliminate Bureaucratic Hurdles in Welfare Programmes: Remove bureaucratic obstacles in anti-poverty and homelessness programmes. Establish a substantial connection between beneficiaries and reintegration into the workforce.

C) Consumer and income protection

● Automatic Proportional Adjustment for Salaries, Pensions, and Benefits: Implement an automatic, proportional readjustment for salaries, pensions, and benefits to keep pace with economic changes.
● Price Controls Across the Supply Chain: Exercise price controls throughout the supply chain to regulate and stabilise prices.
● Indexation of the Tax Scale: Implement indexation in the tax scale to ensure fairness and alignment with economic conditions.
● Restoration of Trust in the State: Rebuild trust in the government through accountability and transparency in revenue collection and its redistribution to the citizens.

Recommendations from processing the answers to the survey

● A well-structured strategy and action plan are imperative to alleviate poverty and social exclusion, with a current emphasis on addressing energy poverty and acknowledging the continued impact of the pandemic on vulnerable groups.
• Ensuring free, public, and easily accessible healthcare, encompassing examinations, check-ups, and treatment (beyond emergency services), is crucial. Additionally, reducing the prices of hygiene products is vital.
• An inclusive approach is required for those at risk of poverty, with a specific focus on refugees and asylum seekers lacking adequate support.
• The rising rental market necessitates affordable housing measures, particularly for the homeless and asylum seekers-refugees. Urgent action is needed to establish a unified framework for more permanent social housing solutions.
• Expand and extend the criteria for benefits and allowances to include additional beneficiaries and ensure a longer duration of support.
• Guarantee access to basic social goods, including quality water, energy, and transportation, for the most vulnerable.
• Improve digital services to enhance communication, cooperation among services, information exchange, and reduce bureaucracy, ensuring quicker and online completion of processes.
• Ensure easy accessibility of digital services for all, providing clear information to entitled beneficiaries about their rights, services, and allowances.

**Final Recommendation**

The constant need for further in depth research in the nuanced aspects of poverty and social exclusion as have become obvious from this report, namely on the urban-rural divide, intersectionality and its many faces of discrimination, as well as particular age groups, especially in a country that ages fast.

**Useful links:**


*It’s crucial to highlight that the information used to create the Poverty Watch Report of 2023 is based on data of the current year but because of an acknowledged time lapse between the gathering of data for and from all relevant sources related data from 2021 and 2022 are also taken into account. The impact of the COVID-19 pandemic and its effects as well as the persisting war in Ukraine, the war in Gaza and the particularities of the Greek politics, economy and extreme or human induced weather phenomena synthesise a difficult living situation for the area.*
Annex 1: The Survey

Annex 2: The PeP Report

Annex 3: Case Studies