

Mr. George Pitsilis

Secretary General of the General Secretariat for Public Revenue - Ministry of Finance of the Hellenic Republic

Good morning Ladies and Gentlemen,

Καλημέρα σας, κυρίες και κύριοι.

Let me introduce myself to those who don't know me.

My name is George Pitsilis. I am the Secretary General for Public Revenue, and, from the 1st of January, the head of the new Independent Revenue Authority in Greece.

I come from the private sector. I am a tax lawyer.

A year ago, I decided to be a candidate for this position, because I believed that we really can change things in this country.

Almost one year later, and after having worked together with the staff of the Greek Revenue Authority, I am even more convinced that we can bring changes and reforms to the Greek public sector, and especially to the tax administration.

In this context, I am really thankful to Capital Link for inviting me here. Because, this gives me the opportunity to present to you the things that we have started to change in the last months and those that we are planning to change in the near future.

But, I have to confess something to you.

When I received the invitation to this conference, my first thought was that this is a really big challenge for me and the Greek tax administration.

Because, you know, when the majority of the audience is top level executives from the biggest investment firms of the United States and the whole world, you feel, I feel, that I have to answer to too many questions and explain too many things that, for many of you here, today, seem inexplicable... irrational.

Or, irrationally inexplicable !

For decades, businesses in Greece have to deal with a bureaucratic tax system, with too many procedures and transactions that have to be delivered at the tax offices, demanding physical presence of our taxpayers (individual or company).

That means higher operational costs both for the administration and for our customers, and higher corruption risks.

Also, performance of the tax administration has been affected by a very weak capacity building system of our staff, that hinders our efficiency and performance and contributes to a low trust tax system in Greece.

These are what we are changing now.

Ladies and Gentlemen...

The time this conference is taking place, finds the Greek tax administration in the threshold of the transition to an Independent Revenue Authority.

The first day of the new year will find us being financially autonomous, not subject to the hierarchy of the Ministry of Finance and reporting directly to the Parliament.

With a Management Board and an expert from the European Commission.

The main objective of this transition is that, organisational and functional independence, can lead to what I described before: a better performance, by removing impediments to effective and efficient management, while maintaining appropriate accountability and transparency.

But, you know, establishing an Independent Revenue Authority is not by itself a panacea. It is an opportunity for the Greek administration to make a new start, to get modernised and operate more efficiently, for the benefit of the taxpayers and the entrepreneurs.

An opportunity that we really need to take advantage of.

Having that in mind, we are working on the following axis:

1. We are building up an IT strategy and an operational plan that will allow us to create flexible internal procedures for our daily operation, that will make our job more effective and will simplify tax transactions, in order to reduce compliance cost for investors and businesses.

Also, this will allow us to use our HR where they are most needed: in fighting against evasion, tax fraud and smuggling

2. We are establishing a consistent training system for our employees, with long term, medium term and short training programs, similar to those of all modern tax administrations

3. As regards our HR, we are developing systems and procedures making sure that assessment, grading, promotion and remuneration is based only on meritocracy and performance

Because...

...If we want to succeed, we must have a system that enables the best men and the most suitable, to go into the job that needs them.

4. Also we are constantly enhancing our auditing capacities and our collection methods, emphasizing in business sectors where tax evasion is more frequent, thus, demonstrating our firmness in safeguarding our tax base.

But also

We are promoting transparency and fairness in our daily operation.

- in our auditing methods

in our interpretation of tax legislation

especially in the operation of our Dispute Resolution System

Because we need to be firm in our commitment to fight against tax evasion and tax fraud but we also need to be fair and trustworthy when it comes to our obligations against taxpayers

You know, we cannot point the finger to the tax payers who pay their taxes and we cannot talk about compliance, if we - the tax administration - delay to pay them back

We believe that the above are key elements in order to give an answer to the bigger challenge we are facing: building a sincere relationship, based on credibility and trust, with taxpayers and investors. This is the core of the new start we are seeking.

We are trying to balance the desire to offer a simple and low cost tax environment for foreign direct investments, with the need to ensure that an appropriate share of domestic tax is collected from multinationals.

In doing the above, we are not trying to reinvent the wheel.

We just try to use efficiently what we learn from other countries' tax administration experience.

That's why, apart from the technical assistance that receive from our partners, we have already travelled to England and France and we have visited the tax administrations and attended seminars on audits and organisation models.

That's why tomorrow we are flying to DC, to meet the IRS executives.

Ladies and Gentlemen,

There are many things that we need to do, in order to improve our performance. However, taking a retrospective look in the changes that the Greek tax administration has undergone in the last six years, I am more than optimistic that we can successfully address our coming challenges.

I know and I feel how important investments are for Greece.

We want investments, that will create new jobs, and bring sustainable growth.

In other words, we want you beside us, with us...

...and we promise, I, personally, promise

that we will - day by day - facilitate your job in your relations with the Greek tax administration.

Thank you for your attention .