

## **4. Department of state-citizen relations**

Table of Contents

### **1. AREA OF JURISDICTION**

---

### **2. GENERAL ASSESSMENT OF THE ACTIVITIES OF THE DEPARTMENT OF STATE-CITIZEN RELATIONS**

---

2.1. GENERAL OBSERVATIONS - CONCLUSIONS

---

2.2. TAXATION ISSUES

---

2.3. EDUCATIONAL ISSUES (CENTRE FOR THE RECOGNITION OF FOREIGN ACADEMIC TITLES)

---

2.4. STATISTICS ON CASE FLOW AND PROCESSING

---

2.4.1. Complaints Submitted to the Department of State-Citizen Relations

---

2.4.2. Complaints Within and Outside the Ombudsman's Mandate

---

2.4.2.1 Complaints Outside the Ombudsman's Mandate

---

2.4.2.2 Progress of Complaints Within the Ombudsman's Mandate

---

### **3. PRESENTATION BY SUBJECT CATEGORY OF THE MOST IMPORTANT CASES**

---

3.1 TAXATION ISSUES

---

3.1.1 Refusal by the Tax Office to Implement a Decision Made in the Taxpayer's Favour  
by an Appeals Committee

---

3.2 EDUCATIONAL (CENTRE FOR RECOGNITION OF FOREIGN ACADEMIC TITLES)

---

3.2.1 Recognition of Foreign University Degrees

---

3.3 ATHENS PUBLIC WATER AND DRAINAGE CORPORATION

---

3.3.1 Reduction in Water Bill

---

3.4 LOCAL GOVERNMENT

---

3.4.1 Refusal by Municipality to Revoke a Permit for a Cafe-Snackbar

---

3.4.2 Refusal by a Municipality to Comply with a Judicial Decision

---

3.4.3 Issue of a New Driving License After the Directorate of Transport of the Athens Prefectural  
Administration Lost a Personal File

**4. PROPOSALS FOR LEGISLATIVE AND ADMINISTRATIVE REFORMS**

---

4.1. MINISTRY OF FINANCE

---

4.2. ATHENS PUBLIC WATER AND DRAINAGE CORPORATION

---

4.3. GREEK TELECOMMUNICATIONS ORGANISATION

---

## 1. AREA OF JURISDICTION

The Department of State–Citizen Relations is responsible for issues concerning information and communication with public services, the quality of services provided, maladministration by local government authorities, public utility companies, transport and communications, labour, industry, energy, taxation, customs, fiscal matters, commerce and state procurement, agriculture and agricultural policy, and education.

The complaints submitted concern the following subjects :

- Maladministration in general (including the civil service in the narrow sense : ministries, general secretariats, etc.)
- Tax Offices – taxation issues
- Education - Centre for the Recognition of Foreign Academic Titles
- Local government
- Athens Public Water and Drainage Corporation
- Greek Telecommunications Organisation
- Public Power Corporation
- Greek Post Office
- Other public services (customs, Deposit and Loan Fund, Treasury Department)

## 2. GENERAL ASSESSMENT OF THE ACTIVITIES OF THE DEPARTMENT OF STATE-CITIZEN RELATIONS

### 2.1 GENERAL OBSERVATIONS - CONCLUSIONS

The need for an institution like the Ombudsman, as a form of external and extrajudicial control over the public administration, has been substantiated in practice not only by the large number of citizens who have resorted to the institution, but also by the nature and content of the complaints they have submitted. These complaints clearly show the innate and consistent inability of the public sector up until

now to treat citizens with flexibility, greater understanding, and, certainly, less bureaucracy.

From the complaints investigated by the Department of State-Citizen Relations, it is possible to draw the following conclusions :

A) The long established obsession of the civil service with strict adherence to the letter of the law has resulted in citizens being treated in an inflexible and, frequently, hostile manner. This is especially clear in a large category of cases concerning taxation issues, which have been carefully examined by the Department of State-Citizen Relations. Current legislation regulates these cases exhaustively and inflexibly, without allowing for any exceptions, with the result that the administration is unable to evaluate the unique nature of each case.

B) The ignorance of citizens concerning the procedures followed, the multiplicity of laws, and the automatic expectation of unfavourable treatment in dealings with the public sector are clear in a large number of cases which concern the simple provision of information. In these cases, the mediation of the Ombudsman could have been avoided if the citizen had trusted the services responsible and had first applied to them.

C) The demand by the public services that citizens should comply strictly with the terms of the legislation in force contrasts sharply with the irresolution displayed by the services themselves when called upon to implement judicial decisions in favour of citizens, to fulfil their standard obligations, to respect their legal obligation to provide information and documentation, and to answer petitions within a reasonable time-period.

All the above leave the citizen feeling unprotected and powerless, and with the feeling that s/he is facing a hostile, faceless, and "all powerful" public service. This feeling is already evident from the first contact, whether by telephone or in person, with the Ombudsman, and initially makes it difficult to establish a climate of trust even with the office's investigators.



## 2.2 TAXATION ISSUES

Relations between taxpayers and Tax Offices are usually difficult, for the following reasons:

- **Multiplicity of laws**

A multiplicity of laws regulate each case differently, so that the citizen is in no position to know which legal regulation covers her/his specific case. Often not even the Tax Office employees know exactly what regulation should apply in each case.

Tax issues have been regulated by law in such great detail that the possibilities for meaningful intervention are nil. Usually, the Ombudsman's mediation encounters a strict and inflexible legal regulation. No procedure for dealing with each case on its merits is foreseen, and usually the only possibility is for an agreement between the Tax Office and the taxpayer for the settlement of the outstanding amount.

In all cases, wherever doubt arises concerning the settlement of debts, the Tax Office interprets the law in its own favour and not to the advantage of the taxpayer.

- **Complicated Procedures for Submitting Tax Declarations**

The complex structure of tax declaration forms makes it easy for errors to be made when the forms are filled out. The procedure for correcting these errors, whether by supplementary declarations or in other ways, is extraordinarily time-consuming. It also operates to the disadvantage of the taxpayer, in the sense that any tax rebates are withheld or the initial payment is increased by charges for overdue payment, while in the intervening period until it is proved that the amended tax declaration is now correct, the taxpayer will not be issued a certificate that s/he is in good standing with the Tax Office (an essential document for a variety of transactions with the public sector).

- **Delay in Responding to Citizens' Petitions**

The Tax Offices are slow in responding and, on many occasions, slow in dealing with simple

issues raised in citizens' petitions.

- **Inadequate Information Given to Taxpayers**

Taxpayers are not sufficiently well informed about the ways in which they can respond to decisions taken by the Tax Office, on the basis of which the amount of tax owed is determined.

## 2.3 EDUCATIONAL ISSUES (CENTRE FOR THE RECOGNITION OF FOREIGN ACADEMIC TITLES)

Most of the complaints involving the Centre for the Recognition of Foreign Academic Titles (DIKATSA) concern the long delay in examining applications for the recognition of academic degrees earned outside Greece. That there exists a major problem of delay in recognizing foreign degrees was verified through extensive correspondence with DIKATSA and a visit to their offices. According to the DIKATSA officials, the delay is caused by the large number of applications, insufficient staff, and a whole series of other factors, including the non-implementation of the regulations defining the Centre's new legal status. There are also a series of technical difficulties, such as communication with foreign universities for additional information about the studies of their alumni. Complainants usually refer to the delay in resolving their cases, the difficulties of the procedure for the recognition of their foreign degrees, the total lack of written information about the progress of their applications, and the requirement to submit so much additional documentation.

In every case in which the Ombudsman intervened, the recognition process was speeded up and applicants' files were forwarded to the responsible bodies. The Ombudsman plans to produce a special report on DIKATSA.

## 2.4 STATISTICS ON CASE FLOW AND PROCESSING

### 2.4.1. Complaints Submitted to the Department of State-Citizen Relations

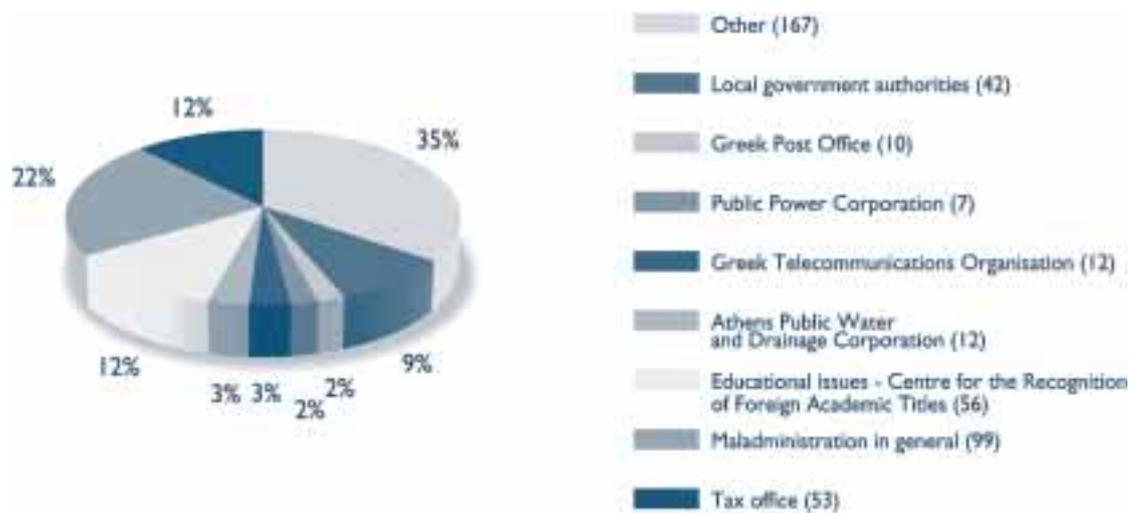
During the Ombudsman's first three months of operation (October-December 1998), a total of



458 complaints were assigned to the department. A breakdown of these complaints by service involved is shown in Graph 1 below. All the graphs include both percentages and the actual numbers of complaints. Many of the complaints included in the category "other" are concerned either with public sector

agencies which have been exempted from the Ombudsman's mandate by the institution's founding law (Law 2477/97), or with legal entities of private law and other independent administrative authorities which also fall outside the Ombudsman's jurisdiction.

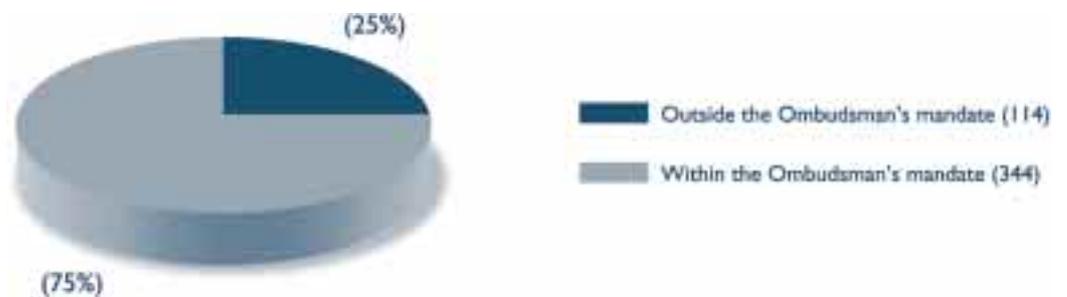
**Graph 1**  
Breakdown of Complaints by Areas of Activity



**2.4.2 Complaints Within and Outside the Ombudsman's Mandate**  
During the initial stage of investigation, 344 of

the total of 458 complaints were found to fall within and 114 outside the Ombudsman's jurisdiction (see Graph 2).

**Graph 2**  
Classification of Complaints Submitted to the Department of State-Citizen Relations





### 2.4.2.1 Complaints Outside the Ombudsman's Mandate

The classification of a complaint as falling outside the institution's mandate was made on the basis of the categories defined in Law 2477/97 (Graph 3). Of the 114 complaints judged to fall outside the institution's jurisdiction, this was due to the following causes: in 24 cases, complaints were made after the six-month deadline; 10 complaints concerned cases pending in the lawcourts; 13 were manifestly vague; 7 concerned private disputes; 32 came under articles 3 and 4 of Law

2477/97 (actions taken by agencies outside the Ombudsman's mandate, i.e. government ministers with regard to their political actions, the legislature, judicial authorities, religious organisations, the armed forces, the Ministry of Foreign Affairs (for issues of foreign policy), the National Intelligence Agency, the Legal Council of State, and independent administrative authorities, or absence of an administrative act, absence of legal interest, third party rights, case pending before the judicial authorities, etc.); and 28 complaints concerned the service status of civil service employees.

### Graph 3

Petitions Outside the Ombudsman's Mandate



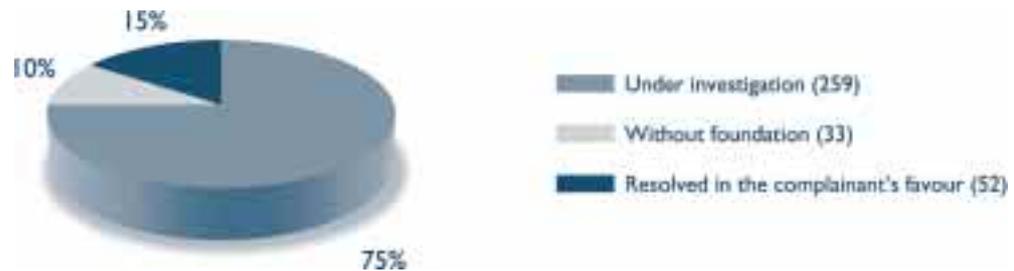
### 2.4.2.2 Progress of Complaints Within the Ombudsman's Mandate

Of the 344 cases which proceeded to the second, substantive stage of investigation, 52 were resolved in the complainant's favour (i.e. the complainant's petition was granted, either in whole or in part, and in some cases with the additional moral satisfaction of receiving a letter of apology from the public service involved); 33 were filed in the archives as being without substance or legal foundation; and the

remaining 259 petitions are in various stages of investigation, many of which have reached the final stage before the findings are issued (Graph 4). The category of complaints found to be without foundation includes complaints where the investigation was stopped at the complainant's request, or because it was impossible to communicate with a complainant who had not provided an address, telephone number, or fax number.

**Graph 4**

Classification of Complaints Within the Ombudsman's Mandate

**3. PRESENTATION BY SUBJECT CATEGORY OF THE MOST SIGNIFICANT CASES****3.1 TAXATION ISSUES****3.1.1 Refusal by the Tax Office to Implement a Decision Made in the Taxpayer's Favour by an Appeals Committee**

A local Tax Office was unwilling to implement a decision taken by an appeals committee in a taxpayer's favour, which reduced by 50% the fines imposed for overdue payments (case 1471/14.12.98).

After intervention by the Ombudsman, the 16th Directorate of the Ministry of Finance agreed to settle the issue by writing to the Tax Office concerned and copying the letter to the taxpayer concerned.

The willingness to co-operate with the Ombudsman, on the part of the director and section head of the above service, is worth noting.

**3.2. EDUCATIONAL (CENTRE FOR RECOGNITION OF FOREIGN ACADEMIC TITLES)****3.2.1 Recognition of Foreign University Degrees**

On 31 March 1998, the complainant (case 949/11.11.1998) submitted an application to DIKATSA for the recognition of two degrees earned in the United States. According to the

employees of DIKATSA, the complainant's file had been completed and was ready for examination by the appropriate committee as of June 1998. Thereafter, the answer he received to his frequent questions as to when the committee would meet was "within the next 15 days." In fact, the committee did not meet, with the result that the complainant could not apply for a public sector post, register with the Technical Chamber of Greece, receive the bonus to which he was entitled as a holder of a postgraduate degree from the company where he worked, etc.

Following mediation by the Ombudsman, the complainant's file was sent to the appropriate committee for recognition of the degrees.

**3.3 ATHENS PUBLIC WATER AND DRAINAGE CORPORATION****3.3.1 Reduction in Water Bill**

The complainant (case 151/5.10.98) asked the Athens Public Water and Drainage Corporation to reduce his bill of 65,500 drachmas to the level of bills for corresponding periods in earlier years (3,000–3,500 drachmas), claiming that there was a leak within the internal water distribution network in his house for which he was not to blame. Citing his low income, as a pensioner of the Social Insurance Foundation (IKA), he also declared that he was unable to pay these costs.



The three-member committee established by decision number 9410/23.5.93 of EYDAP's Board of Directors to approve discounts did not, at first, grant any reduction in this case. Instead, the committee decided that the full amount of 65,000 drachmas could be paid in two instalments. After another request from the consumer, the committee reconsidered the issue and reduced the amount from 65,000 drachmas to 42,861 drachmas.

There then followed a long correspondence between the consumer and EYDAP about a further reduction to the level of previous bills for similar periods. This correspondence produced no results, as EYDAP insisted upon its own point of view. When the consumer paid only part (15,000 drachmas) of the amount owed, EYDAP turned off his water supply. When the consumer forced open the system, he incurred a fine for breaking the seal on the system.

During a visit by the Ombudsman to EYDAP, the issue of "inflated" water bills, due to invisible leaks in a consumer's internal water distribution system, was discussed at length in an attempt to resolve the issue.

EYDAP is awaiting the Ombudsman's proposal in order to proceed to a legislative amendment.

### 3.4 LOCAL GOVERNMENT

#### 3.4.1 Refusal by the Municipality of Athens to Revoke a Permit for a Cafe-Snackbar

The complainant (case 1562/17.2.1998) appealed to the Ombudsman because the Athens Municipal Council did not revoke the permit for a "cafe-snack bar" operating near his house. Specifically, the Municipal Council took no notice of documents sent by the following public services :

- The License Department of the City of Athens proposed that the permit be revoked.
- A report by the Body of Inspectors-Controllers of Public Administration called for the permit to be immediately revoked (on the grounds that the cafe is less than 50 metres

from a kindergarten and the tenant renting the space was using it for a different purpose than that specified in the initial permit). This report also proposed calling upon the Management Review Board (E.D.E.) to consider if charges should be brought against the administrative authorities which had issued the permit.

- The same recommendation was also made by the Directorate of Local Government and Decentralisation of the Regional Administration of Attica.

- The General Directorate for Local Government of the Ministry of the Interior, Public Administration, and Decentralisation wrote to the Secretary General of the Attica Regional Administration that the Municipality of Athens had granted the license to the cafe illegally and proposed investigation by the Management Review Board (E.D.E.).

- The License Department of the City of Athens informed the cafe owner that the permit would be withdrawn.

- The Directorate of Local Government and Decentralisation of the Regional Administration of Attica wrote to the Committee of Article 177 of Presidential Decree 410, indicting the Municipal Council for not revoking the permit.

- The License Department of the City of Athens wrote to the complainant that the service no longer bears any responsibility in this case.

After a careful investigation, the Ombudsman wrote to the President of the Municipal Council, asking him to investigate the case and to inform the Ombudsman in writing of his conclusions. Following the Ombudsman's letter and a new appeal by the citizen to the Committee of Article 18 of Law 2218/94, the Municipal Council revoked the permit.

#### 3.4.2 Refusal by a Municipality to Comply with a Judicial Decision

In case 1025/16.11.98, the complainant protested that a municipality did not comply with a court decision cancelling sums owing in his name for municipal tax and fines for late payment. The municipality cited its intention of

appealing against the court decision as an excuse to delay cancelling the debt. In communication with the mayor and the municipality's legal advisor, the Ombudsman stressed that in this case the deadline for exercising the right of appeal against a decision does not justify delaying its implementation. A municipal council meeting was held and the case discussed. The council cancelled the debt and formally notified the Ombudsman.

### 3.4.3 Issue of a New Driving License after the Directorate of Transport of the Athens Prefectural Administration Lost a Personal File

The complainant (case 670/26.10.1998) accused the Directorate of Transport (License Office) of the Athens Prefectural Administration of losing the file containing all his data. When he requested a replacement for his driver's license (category D, professional) they were unable to find any document about him whatsoever. As a result, he was issued a replacement driver's license of a lower category, which affected his professional status. In co-operation with the central service of the Ministry of Transport and Communications, the Ombudsman located records of the complainant's payments to the Drivers' Pension Fund, which proved that he had been insured as a professional driver. This made it possible for the License Office to re-issue the driver's license in the proper category. The issue was resolved in the citizen's favour.

## 4. PROPOSALS FOR LEGISLATIVE AND ADMINISTRATIVE REFORMS (listed by ministry)

### 4.1 MINISTRY OF FINANCE

#### 4.1.1. Tax Office Delay in Sending Out Income Tax Statements, with Unfavourable Consequences for the Taxpayer

Case 830/3.11.1998 raises the issue of taxpayers being denied the discount for full and prompt payment of his income tax when, through no fault of their own, they receive their processed income

tax demands later than October of the relevant fiscal year. Specifically, although the complainant filed his income tax demand in time, the Ministry of Finance Computer Centre, due to its heavy work load, delayed sending him the processed tax demand, causing him to lose his right to a discount for lump sum payment as provided for in paragraph 4, article 9, of law 2239/94.

It is proposed that:

The relevant legislation be amended to protect the individual taxpayer's right to a discount for prompt payment if s/he fulfills the legal obligation to file her/his income tax statement on time and if any delay which may arise is through no fault of the taxpayer.

#### 4.1.2. Absence of Proof of Receipt of Income Tax Demands with Negative Consequences for Taxpayers

The complainant (case 18/24.9.1989) protested that the Ministry of Finance Computer Centre did not send his income tax demand for the fiscal year 1997, causing him to be fined 4% for late payment on his first instalment.

His local Tax Office denied any responsibility, blaming the Ministry of Finance Computer Centre and the Post Office. Investigation by the Ombudsman at the Ministry of Finance Computer Centre revealed that the petitioner's income tax demand was processed at the end of May, 1998 and delivered to the Post Office with the correct address.

In 1998 the Greek Post Office handled 4,250,000 income tax demands on behalf of all the country's taxpayers. Some of these, including the demand sent to the complainant in this case, were lost, for which the Ministry of Finance Computer Centre apologised to the petitioner.

Analysis of this case reveals a shift of responsibility for the (naturally, unintentional) omission of the administration to the taxpayer. The latter not only lost the right to pay his tax in one instalment, with a corresponding discount, but was also fined 4% on his first instalment. In addition, one should also consider



the additional strain put upon the taxpayer, who was obliged to make frequent visits to his local Tax Office, the Post Office, etc., creating a sense of insecurity and injustice as a result of bad provision of services by the public sector. The issue potentially affects all the country's taxpayers (4,250,000 in 1998) and the problem is presumably repeated every year. With so many tax demands being sent out, it is probable that a number will be lost, without the possibility of attributing specific responsibilities either to the Ministry of Finance Computer Centre or to the Greek Post Office.

Moreover, the taxpayer cannot prove that s/he never received the tax demand, with the result that s/he has to bear the full burden of responsibility: not only the personal responsibility to pay tax but also the administration's responsibility to send out tax demands on time.

It is proposed that:

A legislative amendment be passed to improve the system of sending tax demands to taxpayers. Until now, these statements have been sent by regular mail, like all other public sector correspondence. It is proposed that they should be sent by registered mail. This would provide proof both of the date of receipt of the tax demand by the taxpayer and of its possible loss, so that the taxpayer is not burdened with the responsibility for overdue payments of his financial obligations to the state.

If the Ministry of Finance were to consider the cost too high, then the possibility could be investigated, in conjunction with the Greek Post Office, of sending the income tax demands by registered mail at a reduced cost. Perhaps an arrangement could be reached similar to that available to private individuals sending high numbers of registered letters, especially given that the Tax Office is a public service and that the quantity of mail it sends each year is so large.

If, however, this suggestion is not judged to be feasible, then the Ministry of Finance should send a circular to all local Tax Offices

throughout the country instructing them that, if an individual taxpayer did not receive her/his income tax demand or did not receive it on time, the director of the local Tax Office should be allowed not to impose increased payments or other fines. This should be conditional, of course, upon the taxpayer being in good standing (no prior debts to the state, timely payment of taxes in previous years, etc.).

## 4.2 ATHENS PUBLIC WATER AND DRAINAGE CORPORATION

### 4.2.1 Improving Procedures for Reducing Water Bills in Cases of Invisible Leaks

Case 151/5.10.98, described above, concerning a requested reduction in the water bill because of an invisible leak in the house's interior piping, as well as other, similar cases submitted to the Ombudsman, is indicative of the way in which consumers are excessively burdened with the obligation to submit, usually, multiple applications for water bill reductions. It is also indicative of the climate of insecurity and lack of credibility between the corporation and the consumer concerning the final decision of the committee which considers water bill reductions.

This committee takes its decisions on the basis of criteria, procedures and conditions which are defined by law. The interpretation of these clauses, however, remains at the discretion of the committee.

It is proposed that:

In cases of invisible leaks in a house's interior piping or water loss for any other reason for which the consumer is not to blame, as verified by the technical services of EYDAP, the procedure for reducing water bills should be speeded up. Fair judgement should be guaranteed on the basis of a specific method of calculating reductions. This should be based on the volume of the water lost – through leaks – at the lowest monthly rate per household per cubic metre. This

calculation should be made at the consumer's request and by submitting the required evidence to the appointed responsible department of the water corporation's local offices. This should be a simple process, not requiring the involvement either of collective bodies, such as committees, or of the central services.

This system should introduce a standard method of reducing bills for consumers, with exceptions for households with many children, the unemployed, and the disadvantaged, etc., for whom special favourable arrangements should be made. At the same time, it would be good for the corporation's public relations to establish a system of transparency in administrative procedures, cultivating a spirit of mutual trust and significantly restricting the time spent by both the consumer and the water company.

#### 4.3. GREEK TELECOMMUNICATIONS ORGANISATION

##### 4.3.1 Excessively High Bills on a Telephone Deactivated by an Electronic Seal

Although the complainant's telephone

connection had been deactivated with an electronic code known only to him, his next bill included a large number of calls, both long distance and to cellular phones, to numbers the petitioner did not recognise (case 1689/24.12.98).

It is proposed that the possibility be explored of:

- Subscribers being able to place an electronic seal on their telephones without anyone knowing (including the telephone company).
- Subscribers being able to change the codes on the electronic seals of their telephones at will.
- Electronic seals being installed by the telephone company, which should then assume responsibility for charges.
- Establishing a maximum number of units, to be defined by the subscriber, beyond which the specific telephone line will only accept incoming calls.

The Greek Telecommunications Organisation has the technology and necessary infrastructure (digital network) needed to carry out all the above proposals.