

2014 ANNUAL REPORT OF THE HELLENIC REPUBLIC ON SERVICES OF GENERAL ECONOMIC INTEREST

1. SGEI INFORMATION SUBMITTED IN ACCORDANCE WITH THE FRAMEWORK

The report includes information on the SGEI of the Hellenic Post Office (ELTA), noting that ELTA received approval in Commission Decision C 142 of 25 January 2012 within the 2005 SGEI framework and that it has submitted notification ref. SA.35608 (2014/N)/20.6.2014 according to the provisions of the SGEI Framework 2012.

Clear and comprehensive description of how the respective services are organised in your Member State	
Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State	<p>Postal services and non-postal SGEI, as described in Article 2(3) of the Management Contract concluded between ELTA and the Greek government:</p> <ul style="list-style-type: none"> i. Payment of pensions (on contract) on behalf of the Greek government. ii. Receipt of payment of bills (on contract) on behalf of organisations, local authorities, etc. iii. Acceptance of the deposit or withdrawal of money on behalf of the Hellenic Postbank and other credit institutions. iv. Receipt of documents and supporting documents sent by the public to cooperating credit institutions, in order to conclude or service loans. v. Link of the network of terminal automated teller machines to corresponding interbank and other computer systems. vi. Provision of the service of postal cheques at a national and international level, according to the contracts signed by the country as part of the Universal Postal Union (U.P.U.), a service particularly important for those residing in remote areas, without banking services, as well as for those with limited access to banking services. vii. Provision of public services resulting from <i>ad hoc</i> inter-ministerial cooperations-agreements, such as the Memorandum of Understanding, concluded on 11 April 2012 between the Ministry of Administrative Reform and e-Governance and the Ministry of Infrastructure, Transport and Networks and the Post Office as regards the provision of services of Customer Service Centres through 68 Post Office branches in remote areas. <p>It is noted that the services cover the entire Greek territory and that pricing is uniform.</p>
Please list the contents of the services assigned as SGEI as clearly as possible	<p>The Management Contract concluded between the Greek government and the Post Office for the period 2010-2015, and, more specifically, Article 2 thereof, explicitly specifies the obligations of the Post Office as a universal service provider. In particular, the Post Office is required to provide services throughout the country at affordable prices and of the quality specified by decision 58134/2275/08.01.2010 of the Minister of Infrastructure, Transport and Networks, under the applicable technical standards, as published in the Official Journal of the European Communities.</p> <p>Moreover, the Post Office was assigned certain non-postal</p>

	<p>services of general economic interest, based on the following criteria:</p> <ul style="list-style-type: none"> • Their nature as services provided to citizens by the state or state agencies through the broad postal network. • The degree to which these services are provided throughout Greek territory, mainly at the premises of the recipients, which is essential for rural and island areas. • No other state or private agency may offer such services. • They are provided according to uniform invoicing, regardless of the profitability of the services offered in various areas, especially remote ones. <p>Such services are considered services provided by the Post Office on behalf of the Greek government, public agencies, local governments, etc., for instance, the payment of pensions, social benefits, receipt of payment for bills, etc. Such services, especially in remote areas difficult to access, are services of general economic Interest, as defined by national and EU legislation.</p> <p>Therefore, based on the above criteria, the services provided to citizens, as referred to in the proposed actions, are SGEI.</p>
<p>Explanation of the (typical) forms of assignment. If standardised templates for assignments are used for a certain sector, please attach them.</p>	<p>Article 4(b) 'Duties of the Ministry of Infrastructure, Transport and Networks', Article 7 'Provision of Universal Services', Article 21 'Transitional Provisions' of Law 4053/2012 (Government Gazette, Series II, No 44/07.03.2010), establish <i>inter alia</i> that:</p> <ul style="list-style-type: none"> ▪ ELTA remains a universal service provider until 31 December 2028. ▪ The conditions for the provision of the universal service are laid down in the award contract concluded between the Minister for Infrastructure, Transport and Networks and ELTA. <p>The assignment has been completed by the Management Contract of 08 November 2010, concluded between the Greek government and the Hellenic Post, valid until 18 April 2015. This contract (Article 2) clearly determines the universal service and other public utility services (SGEI) provided by ELTA.</p>
<p>Explanation of the (typical) duration of the assignment and the range of durations of the assignments. Please also specify the proportion of assignments that are longer than ten years</p>	<p>Under Law 4053/2012, ELTA remains a universal service provider until 31 December 2028.</p>
<p>Explanation if (typically) exclusive or final rights are assigned to the undertakings.</p>	<p>ELTA's Exclusivity (exclusive sector) was in force until 31 December 2012 and was related to the special right of being the only provider of the mail handling service for weight under 50gr, as compensation for the provision of a universal service.</p>
<p>Explanation of the (typical) compensation</p>	<p>By Decisions C(2003)4084fin of 11 November 2003 and S.A.</p>

<p>mechanism as regards the respective services, including the aid instrument (direct subsidy, guarantee, etc.) used and whether a methodology based on cost allocation or the net avoided cost methodology is used.</p>	<p>32562/C(2012)142fin of 25 January 2012, the European Commission approved state aid to the Hellenic Post Office through the Operational Programmes of Community Support Frameworks as compensation for the obligation to provide a 'public service', considering that the modernisation of ELTA through such aid is necessary so that it may improve the services it provides. This is because the pricing policy imposed by the Greek State does not allow ELTA to generate sufficient revenue to finance the investments necessary to improve the quality of the public postal service provided.</p> <p>In addition, in its decisions, the European Commission assessed the calculations of the deficit of the Hellenic Post due to the provisions of SGEI and found them accurate. Therefore, according to Article 86 (2) EC, State aid was justified.</p>
<p>Explanation of the (typical) arrangements for avoiding and repaying any overcompensation</p>	<p>During the assessment of this state aid, the European Commission deemed that it does not result in 'excessive' benefits for ELTA, which could indirectly finance commercial activities.</p> <p>Finally, the decisions of the European Commission for the approval of the state aid took into account:</p> <ul style="list-style-type: none"> • The degree of the contribution of the aid to the optimal protection of the universal postal service and services of general economic interest (SGEI), in general. • The reasonable rate of return on the aid. • The fact that the aid does not distort competition. • The adaptability of the public postal network to developments in the fields of economy and technology.
<p>Amount of aid granted</p>	
<p>Total amount of aid granted. This includes all aid granted in your territory, including aid granted by regional and local authorities.</p>	<p>Approved aid scheme pursuant to Law 183/2003. Maximum aid amount: EUR 80 million.</p> <p>Approved aid scheme pursuant to SA32562/2011. Maximum aid amount: EUR 52 million.</p>

2. OTHER CASES (NON-COMPULSORY CONTENT)

A. Information on air transport SGEI.

<p>Clear and comprehensive description of how the respective services are organised in your Member State.</p>	
<p>Explanation of what kind of services in the respective sector have been defined as SGEI in your Member State.</p>	<p>Since 2001 (following the approval of the European Commission), the Ministry of Transport and the Civil Aviation Authority, taking into account the provisions of Article 4 of Council Regulation (EEC) No 2408/92 of 23 July 1992 <i>on access for Community air carriers to intra-Community air routes</i>, moved forward in the implementation of programmes for the provision of public services on regular air routes throughout Greek territory. The implementation of these programmes has ensured specific levels of air services as regards frequency, capacity and fares, to the great satisfaction of local authorities and local inhabitants, as it has contributed to solving the</p>

	problem of isolation and supporting further development in these areas.
Please list the contents of the services assigned as SGEI as clearly as possible.	<p>The obligation for the provision of public services was initially imposed on 10 routes (their exploitation began after a tender process in December 2001), i.e.:</p> <ul style="list-style-type: none"> • Athens - Astipalea • Athens - Ikaria • Athens - Leros • Athens - Milos • Athens - Skiros • Thessaloniki - Samos • Thessaloniki - Chios • Limnos - Mytilini - Chios - Samos - Rhodes • Rhodes - Karpathos - Kasos • Rhodes - Kastelorizo <p>In 2003, 12 more routes were integrated in a programme for the provision of public services. Namely:</p> <ul style="list-style-type: none"> • Athens - Kithira • Athens - Naxos • Athens - Paros • Athens - Karpathos • Athens - Sitia • Athens - Skiathos • Thessaloniki - Skiros • Thessaloniki - Corfu • Rhodes - Kos - Leros - Astipalea • Corfu - Aktio - Kefalonia - Zakynthos • Alexandroupoli - Sitia • Aktio - Sitia <p><i>In 2006, the obligations imposed on the Athens-Astipalea route to Kalimnos and the Rhodes-Karpathos-Kasos route to Sitia were extended.</i></p> <p><i>In 2007, the routes integrated into a programme for the provision of public services were the following:</i></p> <ul style="list-style-type: none"> • Thessaloniki - Kalamata • Athens-Kalimnos (<i>upon the beginning of the exploitation of this route, the Athens-Astipalea route started operating independently again, i.e. without the extension to Kalimnos</i>) • Thessaloniki-Limnos-Ikaria (<i>the tender for its exploitation proved fruitless</i>) <p>In 2010, the routes integrated into a programme for the provision of public services were the following:</p> <ul style="list-style-type: none"> ▪ Athens - Kozani - Kastoria and

	<ul style="list-style-type: none"> ▪ <i>Thessaloniki - Limnos - Ikaria</i> <p>During the renewal of the imposed obligations, as of 1 April 2012, the extended routes were the following:</p> <ul style="list-style-type: none"> ▪ <i>Rhodes - Kos - Leros - Astipalea</i>, so as to include <i>Kalimnos</i> as an intermediate station, and ▪ <i>Corfu - Aktio - Kefalonia - Zakynthos - Kithira</i> to <i>Kithira</i>. <p>On 1 April 2012, the routes integrated in a programme for the provision of public services were the following:</p> <ul style="list-style-type: none"> ▪ <i>Athens - Sirois</i> and ▪ <i>Athens - Zakynthos</i>
Explanation of the (typical) forms of assignment. If standardised templates for assignments are used for a certain sector, please attach them.	The current Obligations for the Provision of a Public Service, as well as the applicable fares on each route are shown in Tables I and II , respectively.
Explanation of the (typical) duration of the assignment and the range of durations of the assignments. Please also specify the proportion of assignments that are longer than ten years.	Table III shows the assignment of the exploitation of routes to air operators and the time period for the exploitation thereof.
Explanation if (typically) exclusive or special rights are assigned to the undertakings.	Following public, international tenders, the right to the exclusive exploitation of the regular air routes has been assigned under Article 16 (9) of Regulation (EC) No 1008/2008.
Explanation of the (typical) compensation mechanism as regards the respective services, including the aid instrument (direct subsidy, guarantee, etc.) used and whether a methodology based on cost allocation or the net avoided cost methodology is used.	<p>To determine the amount of the financial compensation, air operators/tenderers are required to submit a financial tender which includes the total amount of the requested financial compensation per quarter, as well as for the entire duration of the contract (i.e. four years), for the proper fulfilment of the imposed obligations related to the provision of a public service on each route for which an offer is submitted.</p> <p>More specifically, the financial tender includes:</p> <ol style="list-style-type: none"> A detailed analysis of the estimated annual costs (direct and indirect operating cost) of each service, per route, quarter and year: The estimated annual costs of the use of the aircraft in each route comprise direct operating costs (<i>cost of capital / aircraft lease, crew cost, aircraft insurance, agent commission, aircraft maintenance, fuel, catering, airline fees, cost of ground handling and other direct costs, if any, which the air operator must determine accurately</i>) and indirect operating costs (<i>marketing and sales expenses, station expenses, administrative costs and other indirect costs, if any, which the air operator must determine accurately</i>) A detailed analysis of the estimated revenue from the exploitation of the service: The estimated annual revenue is calculated based on the

	<p>fares already determined per service by the Civil Aviation Authority and included in the tender notice, after also taking into account (per service, quarter and year) the available round-trip, the load factor and the number of passengers.</p> <p><i>iii.</i> The reasonable profit rate per route and service: The estimated reasonable profit rate per service, route and year does not exceed 10 % of the total cost (<i>direct and indirect operating cost</i>) per route and service (<i>profit = 10 % * total Cost</i>).</p> <p>As a result of the above, the amount of financial compensation per route and service is determined as the difference between the estimated revenue and the estimated expenses, to which a reasonable profit is added.</p> <p>Full Template for the Calculation of the Amount of Financial Compensation (Table IV)</p>
Explanation of the (typical) arrangements for avoiding and repaying any overcompensation.	If only one tender is submitted, which is deemed to be seeking financial compensation that it too high, the tender committee negotiates with the tenderer in order to achieve a reduction in the amount of financial compensation. Usually, a 2-3 % reduction in the profit rate is achieved.
Amount of aid granted.	
Total amount of aid granted. <u><i>This includes all aid granted in your territory, including aid granted by regional and local authorities.</i></u>	The compensation paid during the four-year period 2010-2013 are indicated in Table V
Other quantitative information	

TABLE I

Obligations for the Provision of Public Services - Minimum frequency of flights and minimum offered places per week in each route

PUBLIC SERVICE PROVISION OBLIGATIONS PROGRAMME <i>(Weekly frequencies-Places offered per period)</i>			
	Air route	<i>Weekly Frequencies</i>	Minimum Offered Places (per week)
1	Athens - Astipalea	4 (winter period) 6 (summer period)	120 (winter period) 180 (summer period)
2	Athens - Kalimnos	7 (winter period) 10 (summer period)	175 (winter period) 250 (summer period)
3	Athens - Ikaria	7 (winter period) 12 (summer period)	210 (winter period) 360 (summer period)
4	Athens - Leros	6 (winter period) 8 (summer period)	132 (winter period) 176 (summer period)
5	Athens - Milos	7 (winter period) 10 (summer period)	245 (winter period) 350 (summer period)
6	Athens - Skiros	2 (winter period) 3 (summer period)	40 (winter period) 60 (summer period)
7	Athens - Kithira	6 (winter period) 8 (summer period)	180 (winter period) 400 (summer period)
8	Athens - Naxos	6 (winter period) 9 (summer period)	180 (winter period) 270 (summer period)
9	Athens - Paros	10 (winter period) 20 (summer period)	200 (winter period) 400 (summer period)
10	Athens - Karpathos	7 (winter period) 10 (summer period)	350 (winter period) 500 (summer period)
11	Athens - Sitia	5 (winter period) 7 (summer period)	200 (winter period) 280 (summer period)
12	Athens-Skiathos	2 (winter period) 7 (summer period)	30 (winter period) 280 (summer period)
13	Thessaloniki - Samos	3 (winter period) 5 (summer period)	180 (winter period) 300 (summer period)
14	Thessaloniki - Chios	3 (winter period) 5 (summer period)	180 (winter period) 300 (summer period)
15	Thessaloniki - Corfu	4 (winter period) 5 (summer period)	200 (winter period) 250 (summer period)
16	Thessaloniki - Skiros	2 (winter period) 3 (summer period)	30 (winter period) 45 (summer period)
17	Thessaloniki - Kalamata	2 (winter period) 4 (summer period)	100 (winter period) 200 (summer period)
18	Limnos - Mytilini - (Chios - Samos) - Rhodes	Limnos - Mytilini - Rhodes: 2 throughout the year	40 throughout the year
	Limnos - Mytilini - Chios - Rhodes Limnos - Mytilini - Samos - Rhodes	The other routes: 1 throughout the year	20 throughout the year

19	Rhodes - Kastelorizo	4 (winter period) 7 (summer period)	80 (winter period) 140 (summer period)
20	Rhodes - Karpathos - Kasos- Sitia Rhodes - Karpathos Rhodes - Karpathos - Kasos- Sitia	Rhodes - Karp. 5 (winter period) 7 (summer period) 4 (winter period) 7 (summer period)	150 (winter period) 210 (summer period) 120 (winter period) 210 (summer period)
21	Rhodes - Kos - Kalimnos - Leros - Astipalea	2 (winter period) 3 (summer period)	50 (winter period) 75 (summer period)
22	Corfu - Aktio - Kefalonia - Zakynthos - Kithira	2 (winter period) 3 (summer period)	50 (winter period) 75 (summer period)
23	Alexandroupoli - Sitia	2 (winter period) 3 (summer period)	50 (winter period) 75 (summer period)
24	Aktio - Sitia	2 (winter period) 3 (summer period)	50 (winter period) 75 (summer period)
25.	Athens - Kozani - Kastoria	Athens - Kastoria (2) Athens - Kozani - Kastoria (3)	(60) <i>throughout the year</i> (120) <i>throughout the year</i>
26.	Thessaloniki - Limnos - Ikaria	2 (winter period) 3 (summer period)	60 (winter period) 90 (summer period)
27.	Athens - Siros	6 (<i>throughout the year</i>)	(120) <i>throughout the year</i>
28.	Athens - Zakynthos	5 (winter period) 7 (summer period)	175 (winter period) 350 (summer period)

TABLE II**Fares**

The reference value of a single economy class fare cannot exceed the following amounts:

<i>Air route</i>	<i>Fare value</i>
Athens - Astipalea	EUR 66.5
Athens - Ikaria	EUR 60.2
Athens - Leros	EUR 67.6
Athens - Milos	EUR 49.7
Athens - Skiros	EUR 53.6
Thessaloniki - Samos	EUR 84.4
Thessaloniki - Chios	EUR 74
Limnos - Rhodes	EUR 72.8
Limnos - Mytilini	EUR 49.7
Limnos - Chios	EUR 49.7
Limnos - Samos	EUR 49.7
Mytilini - Chios	EUR 41.5
Mytilini - Samos	EUR 49.7
Mytilini - Rhodes	EUR 66.5
Chios - Samos	EUR 41.5
Chios - Rhodes	EUR 55
Samos - Rhodes	EUR 49.7
Rhodes - Kasos	EUR 47.6
Rhodes - Karpathos	EUR 41.5
Karpathos - Kasos	EUR 35
Rhodes - Kastelorizo	EUR 39
Athens - Kithira	EUR 56
Athens - Naxos	EUR 70.7
Athens - Paros	EUR 69.7
Athens - Karpathos	EUR 81.2
Athens - Sitia	EUR 79.1
Athens - Skiathos	EUR 61.3
Thessaloniki - Corfu	EUR 78
Rhodes - Kos	EUR 54
Rhodes - Astipalea	EUR 60.2
Rhodes - Leros	EUR 60.2
Kos - Astipalea	EUR 60.2
Kos - Leros	EUR 54
Astipalea - Leros	EUR 54
Corfu - Aktio	EUR 48.7
Corfu - Kefalonia	EUR 48.7
Corfu - Zakynthos	EUR 60.2
Aktio - Kefalonia	EUR 43.5
Aktio - Zakynthos	EUR 48.7
Kefalonia- Zakynthos	EUR 48.7
Athens - Kalimnos	EUR 80

Thessaloniki - Kalamata	EUR 92
Rhodes - Sitia	EUR 56
Karpathos - Sitia	EUR 56
Kasos - Sitia	EUR 50.8
Alexandroupoli - Sitia	EUR 87.5
Aktio - Sitia	EUR 87.5
Rhodes - Kalimnos	EUR 58
Kos - Kalimnos	EUR 48
Kalimnos - Leros	EUR 48
Astipalea - Kalimnos	EUR 50
Corfu - Kithira	EUR 65
Aktio - Kithira	EUR 53
Kefalonia - Kithira	EUR 50
Zakynthos - Kithira	EUR 48
Thessaloniki - Skiros	EUR 80.4
Athens - Siros	EUR 60
Athens - Zakynthos	EUR 58
Athens - Kozani	EUR 60
Athens - Kastoria	EUR 70
Kozani – Kastoria	EUR 35
Thessaloniki - Limnos	EUR 65
Thessaloniki - Ikaria	EUR 75
Limnos - Ikaria	EUR 45

The above fares do not include VAT and fees imposed by Athens International Airport 'Eleftherios Venizelos' on departing passengers.

Finally, pursuant to Article 16(c) of Law 2892/2001, no Airport Modernisation and Development Fee (TEAA) is imposed on the air links included in the Public Service Provision Obligation Programme (Marginal Routes).

TABLE III

	ROUTE	AIR OPERATOR THAT OPERATES THE ROUTE	CONTRACT VALIDITY PERIOD
1.	Athens - Astipalea	OLYMPIC AIR	01/04/2012- 31/03/2016
2.	<i>Athens - Ikaria</i>	<i>OLYMPIC AIR</i>	<i>01/04/2012- 31/03/2016</i>
3.	Athens - Leros	OLYMPIC AIR	01/04/2012- 31/03/2016
4.	Athens - Milos	OLYMPIC AIR	01/04/2012- 31/03/2016
5.	Thessaloniki - Samos	ASTRA AIRLINES	01/04/2012- 31/03/2016
6.	Thessaloniki - Chios	ASTRA AIRLINES	01/04/2012- 31/03/2016
7.	Limnos - Mytilini - Chios - Samos - Rhodes	SKY EXPRESS	01/04/2012- 31/03/2016
8.	Rhodes - Karpathos - Kasos - Sitia	OLYMPIC AIR	01/04/2012- 31/03/2016
9.	Alexandroupoli - Sitia	SKY EXPRESS	01/04/2012- 31/03/2016
10.	Aktio - Sitia	SKY EXPRESS	01/04/2012- 31/03/2016
11.	Athens - Kithira	OLYMPIC AIR	01/04/2012- 31/03/2016
12.	Athens - Naxos	OLYMPIC AIR	01/04/2012- 31/03/2016
13.	Athens - Paros	OLYMPIC AIR	01/04/2012- 31/03/2016
14.	Athens - Karpathos	OLYMPIC AIR	01/04/2012- 31/03/2016
15.	Athens - Sitia	ASTRA AIRLINES	01/04/2012- 31/03/2016
16.	Athens-Skiathos	OLYMPIC AIR	01/04/2012- 31/03/2016
17.	Thessaloniki - Corfu	ASTRA AIRLINES	01/04/2012- 31/03/2016
18.	Rhodes - Kos - Leros - Kalimnos - Astipalea	OLYMPIC AIR	01/04/2012- 31/03/2016
19.	Corfu - Aktio - Kefalonia - Zakynthos - Kithira	SKY EXPRESS	01/04/2012- 31/03/2016
20.	Athens - Kalimnos	OLYMPIC AIR	01/04/2012- 31/03/2016
21.	Thessaloniki - Kalamata	ASTRA AIRLINES	01/04/2012- 31/03/2016
22.	Athens - Skiros	AEGEAN AIRLINES	01/04/2012- 31/03/2016

23.	Thessaloniki - Skiros	SKY EXPRESS	01/04/2012- 31/03/2016
24.	Rhodes - Kastelorizo	OLYMPIC AIR	01/04/2012- 31/03/2016
25.	Athens - Kozani - Kastoria	SKY EXPRESS	01/07/2010- 31/05/2014
26.	Thessaloniki - Limnos - Ikaria	SKY EXPRESS	01/09/2010- 31/08/2014
27.	Athens - Siros	OLYMPIC AIR	01/04/2012- 31/03/2016
28.	Athens - Zakynthos	OLYMPIC AIR	01/04/2012- 31/03/2016

TABLE IV

TEMPLATE FOR COMPLETING THE
FINANCIAL TENDER INFORMATION

1. ESTIMATED ANNUAL REVENUE

Based on the fares mentioned in the technical tender, the estimated annual revenue (on a quarterly basis from the start date of the routes) is presented as follows:

Service:.....	1st quarter	2nd quarter	3rd quarter	4th quarter	Annual total
Available capacity (Round-trip)					
Average load factor					
Number of passengers					
Revenues					

ESTIMATED ANNUAL EXPENSES

Each of the three tables below should be completed per flight and on a quarterly basis from the scheduled start date of the flights.

Service:.....	Per flight	Per quarter				Annual total
		1st quarter	2nd quarter	3rd quarter	4th quarter	
Aircraft utilisation (in block hours)						
Trip Length (in nautical miles)						
Block time (in minutes)						
Block time (in hours)						
Block fuel (in kg)						

Direct costs	Per flight	Per quarter				Annual total
		1st quarter	2nd quarter	3rd quarter	4th quarter	
Aircraft: Cost of Capital/Lease						
Crew						
Insurance						
Agent Commission						
Maintenance						
Fuel						
Catering (Catering)						
Duties						
Ground handling						
Other (specify)						
TOTAL						

Indirect costs (in EUR)	Per flight	Per quarter				Annual total
		1st quarter	2nd quarter	3rd quarter	4th quarter	
Marketing						
Sales						
Station Expenses						
Administrative						
Other (specify)						
TOTAL						

3. CONSIDERATION

The amount of financial compensation required by the candidate air carrier for the operation of flights for the air service per flight, per quarter, per year, in detail and in total for the four years is:

	Per flight	Per quarter				Annual total
		1st quarter	2nd quarter	3rd quarter	4th quarter	
Total Cost (direct + indirect)						
- Revenues						
= Difference						
+Profit (percentage of profit* total cost)						
=Financial compensation sought						

TOTAL FINANCIAL COMPENSATION. FOUR-YEAR PERIOD:

TABLE V

TOTAL FINANCIAL COMPENSATION PAID DURING THE FOUR-YEAR PERIOD 2010-2013

(actual disbursements after the relevant audits were completed)

2010	2011	2012	2013
32,296,000	26,031,000	47,856,805	49,517,448

B. Information on the SGEI of maritime links

The main axes for maritime cabotage have been set out in the provisions of Law 2932/2001 (Government Gazette, Series I, No 145) in line with EU law (Council Regulation No 3577/92). By virtue of the provisions of Article 8(5)5 of Law 2932/2001 (Government Gazette, Series I, No 145), as amended by the provisions of Article 220 of Law 4072/2012 (Government Gazette, Series I, No 86), the Ministry launches an international open tender offer every year in order to meet the transportation needs of the Greek islands with routes for a fee, which, based on the provisions of Law 2932/2001, are not covered by free market initiative.

More specifically, by 31 January of each year, shipping companies submit statements indicating the routes of their ships, in order to meet the needs of the country's indicative shipping service network for the period from 1 November to 31 October of the following year.

If no such statements are submitted regarding the country's indicative shipping service network, or if those submitted do not fully meet the regular transport needs, the Ministry activates the procedures of Article Eight of the first part of Law 2932/2001 (Government Gazette, Series I, No 145), namely the call for tenders for the award of public service contracts lasting three to five years, for the exclusive servicing of specific routes without a fee.

If this procedure does not fully meet the transportation needs, the aim of which, on the one hand, is the economic, social and cultural cohesion of the country and the provision of a service to the general public, and, on the other hand, the necessary provision of a public amenity to avoid the isolation of the Greek islands from the mainland, the Ministry issues, with the consent of the Coastal Traffic Council (SAS), a notice for servicing routes with a fee, by concluding one or more public service contracts, following a tender notice.

It is also noted that, as mentioned above, the tenders are international, i.e. they are published in the Official Journal of the European Union, open, i.e. addressed to all ship-owning companies of Member States of the European Union, the European Community, the European Economic Area or the European Free Trade Association, except for Switzerland, and are won by the most competitive bidder, i.e. the one offering the lowest price, and they are carried out based on the applicable national and EU laws (Directive 2004/18/EC, Presidential Decree 60/2007 (Government Gazette, Series I, No 64), Law 3414/2005 (Government Gazette, Series I, No 279, etc.).

The cost of servicing the routes is covered by national funds and, in particular, by the national budget 'Grants for Marginal Routes', KAE 2131, operators 41-120 and 41-160.

Regardless of the above, it is pointed out that the tender procedures for the award of public service contracts are conducted according to the guidelines of the European Commission, namely awarded to the lowest bidder (letter ref. TREN/G1(02)D/17565 rppscEL/04-11-2002) in order to avoid confusion and them being classified as state aid.^r