

COVID-19: Weaknesses in the scope definition and management of lump-sum financial aid to unsubsidised long-term unemployed persons

Compliance and performance

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[FULL REPORT \(EL\)](#)



[SUMMARY \(EN\)](#)



What we assessed and why

We assessed the Manpower Employment Organisation's (OAED) implementation of the programme for granting lump-sum financial aid to unsubsidised long-term unemployed persons, which was launched in response to the negative effects of the pandemic on the labour market.

What we found

The current regulatory framework's ambiguity vis-à-vis the eligibility conditions for granting lump-sum aid resulted in differing interpretations of how the programme should be implemented. As a result, it did not adequately target the most vulnerable among the long-term unemployed.

Despite the overall reliability of the OAED's integrated information system (IIS), the procedure for granting lump-sum financial aid lacked safeguards against undue payments. This was due to specific weaknesses in the division of responsibilities between the relevant OAED departments and insufficient adjustments to the IIS.

The audit sample of underlying transactions indicated several cases of lump-sum aid granted to ineligible persons.

Furthermore, a high percentage of potential beneficiaries did not receive aid because they had not applied for it.

What we concluded

Several issues hampered the OAED's implementation of an emergency one-off programme for lump-sum financial aid to protect the unsubsidised long-term unemployed from the economic consequences of the pandemic. This can be attributed to flaws in the framework regulating the scheme, as well as to weaknesses in the OAED's organisational structure and IT systems.



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Specifically, the framework lacked a clear definition of who was entitled to this particular aid. As a result, it was difficult to distinguish the beneficiaries from those who were entitled to different forms of support, such as other measures in response to the pandemic or standard measures to protect the unemployed.

Given the exceptional circumstances in which the one-off financial aid was introduced, neither the OAED's departments nor its integrated information system had been properly prepared to ensure the smooth implementation of the programme and prevent undue payments.

Consequently, lump-sum aid was granted to ineligible individuals (i.e. those who were receiving a different unemployment allowance), while a significant proportion of those who were actually eligible did not receive the aid, possibly because the programme was only accessible online and many did not know how to apply.