

EN

E-004770/2025

Answer given by Executive Vice-President Ribera
on behalf of the European Commission
(16.1.2026)

The Commission closely monitors the application of the Greek Hercules scheme (HAPS). To recall, HAPS is aimed at facilitating the reduction of non-performing loans of Greek banks. Under the scheme, privately-owned special purpose vehicles buy the non-performing loans from the banks and raise funding by selling notes with differing risk characteristics. The Greek State provides a guarantee for the less risky, senior notes and receives a remuneration. For the State guarantee to be in effect, a significant portion of the riskier, i.e. junior and mezzanine, notes must be sold to third-party investors, which cannot include the State or the originating bank.

Following its introduction in 2019¹, HAPS has been prolonged in 2021² and re-introduced in 2023³. Its latest prolongation was approved by the Commission in December 2024⁴ and expired on 30 June 2025. In all these assessments, the Commission concluded that the Greek State would be remunerated at market terms in exchange for its guarantees and that the scheme would not provide State aid within the meaning of Article 107(1) of the Treaty on the Functioning of the European Union.

Deferred tax credits (DTCs) allow companies to carry their end-year tax losses forward, thereby allowing them to reduce their taxable base in future years. Member States are free to choose their own tax systems that they consider to be most appropriate. As long as the Greek banks' use of DTCs stem from the general application of the Greek tax system, i.e. the national corporate tax law on deferred tax assets, there is in principle no selective advantage for the banks and accordingly no State aid.

¹ Commission Decision C(2019)7309 final of 10 October in case SA.53519 (2019/N) (OJ C 388, 15.11.2019, p. 2).

² Commission Decision C(2021)2545 final of 9 April 2021 in case SA.62242 (2021/N) (OJ C 214, 4.6.2021, p. 15).

³ Commission Decision C(2023)8034 final of 28 November 2023 in case SA.109365 (2023/N) (OJ C 1649, 28.12.2023, p. 1).

⁴ Commission Decision C(2024)8749 final of 13 December 2024 in case SA.116229 (2024/N) (OJ C 1168, 18.02.2025, p. 1).