

# **URBAN II Evaluation**

## Case Study: Perama, Greece



# 1.0 Introduction

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Perama is a port city and a suburb of Athens that lies on the southwest edge of the Aegaleo mountains. It creates the western terminus of the Port of Piraeus (Athens' port) and there is also a port that provides ferry services to Salamis.

Perama's economic base has long been dependent on shipbuilding and other associated maritime sectors. This key industrial sector has, however, been shrinking and the associated loss of employment has not been compensated through any growth in the service (or other) sectors. As a consequence, the area has experienced high unemployment, a sharp deterioration of its urban physical environment and high levels of pollution. However, on a positive note, Perama does have a number of strategic advantages upon which to build for the future - its proximity to Piraeus, a skilled workforce, its industrial and cultural heritage, and its role as a passage to Salamis, the largest Greek island in the Saronic Gulf.

The population of the municipality of Perama has been increasing since the 1950s, and even today, all demographic indicators of the municipality are better than those for the Greater Athens Conurbation.

The educational attainment level of the area is very low, much lower than the average Athens Conurbation. In 1991, 17.2% of inhabitants were illiterate and 44.2% had only received primary education with women in particular having even lower educational performance levels. However, despite this, the educational attainment levels within Perama have been slowly improving and the gap between the educational level of women and men has also been closing, again very slowly.

The Perama URBAN II programme had a budget of €12,338,676 with additional EU funding of €9,254,006. The Perama programme was focussed in particular on physical and environmental regeneration, followed by interventions for social inclusion and then by a smaller intervention supporting entrepreneurship.

## 1.1 Background to the URBAN II Programme and its target area

The target area encompasses approximately 24,000 people, a relatively small municipality in the context of the Athens Conurbation of 90 municipalities which between them contain over 4 million inhabitants.

Despite the relatively picturesque setting (where only the shipbuilding interferes with the low-rise houses and the sea) the municipality of Perama is one of the most disadvantaged areas of the capital Attiki region. The original rationale for the choice of the area for URBAN II funds mainly lies in its poor environment and worsening urban fabric. A key driver for the poor environment is the area's heavy industrial base which has created serious land and sea pollution and because the sector has been declining over the last 20 years, there has been an increasing amount of vacant

and decaying land building up which has further increased the poor state of the local environment. Many neighbourhoods also have a very degraded urban fabric and built environment.

In addition to a poor physical environment, the decline of the shipbuilding sector has also led to high unemployment and low incomes amongst the local population which has itself led on to a wide range of social problems. Furthermore, the access of women to the labour market was hampered by the lack of social and care services (in particular a lack of childcare provision) and a dependence on the shipbuilding sector which is traditionally a male-dominated profession.

Indeed, at the start of the URBAN II programme, Perama's social and economic indicators had placed it amongst the worst-off areas out of 50 Greek neighbourhoods that had submitted an application for URBAN II support.

Thus the key challenges for the URBAN II target area were the restructuring of the shipbuilding sector, low educational levels, low participation of women in the labour force, high unemployment rates (especially for women), pollution, serious shortage of social care and health services and an overall low quality of life.

### **1.1.1 Has this programme theory been realised on the ground?**

The programme theory has generally been realised on the ground as originally planned at the inception stages of the programme. The programme did not 'drift' away from the original theory it set itself at the beginning of its life and only one original project had to be dropped (concerning e-commerce around shipbuilding which was because EU competition rules did not allow such an initiative to be developed).

All activities were realised at a lower total budget than that originally foreseen. Some funds were lost due to delays and other problems that arose during the implementation of the Programme. If the Perama programme had not lost funds, it would have been in a position to realise additional activities to those programmed, as was the case with the other two Greek URBAN II Programmes that were able to realise additional projects. Such additional activities were made possible thanks to discounts that these programmes were able to command from contractors.

## 2.0 The Impact of the Programme

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This section deals with the impact of Perama's URBAN II programme, looking at its direct and indirect impacts according to both programme information and the views of local interviewees. It firstly looks at whether the target area has changed over the life of the programme.

### 2.1 How has the target area changed?

Robust statistical information showing how the target area has changed throughout the period of the programme is not available.

In terms of the physical regeneration agenda, stakeholders felt that the URBAN II area has changed for the better. The physical regeneration of some public squares was supported through the programme and even though the funds spent were sometimes not particularly high, anecdotal evidence from the interviews points out that the areas around the renovated squares have seen an increase in usage by local citizens - more children playing in the squares, special neighbourhood events - whilst small businesses such as cafes have also started opening around these squares. Thus these areas have seen more 'life' brought to them through the renovation, attracting both more residents and businesses to these key public areas.

Even more significantly, the URBAN II Programme has helped to build an open theatre and a maritime museum in the western edge of Perama (the theatre is complete while the museum is nearing completion). The area of Perama where these two projects were built was previously vacant and unused and was a key environmental detractor for the city as a whole. URBAN II has put the 'West End' of Perama on the map through the development of these two projects and again brought 'life' back into previously 'dead' parts of the city. The presence of the theatre (and eventually the museum) has encouraged people to reintroduce themselves to the area and attend a variety of theatre shows and therefore bring a new 'buzz' to the target neighbourhood.

Increased cooperation between local stakeholders is not reported to have taken place, but the fact that the Municipality of Perama is the main sponsor of the Programme, has the benefit that it has clearly taken ownership of the infrastructure and the social services created and is determined to keep them running, beyond the end of URBAN II funding.

In general, the programme was designed to promote Perama's long industrial and cultural tradition for the benefit of economic regeneration, to boost employment and to upgrade the environment and improve the quality of life in the area. To achieve this, the programme sought to draw on the long-standing experience and specialisation of the local workforce in the area of ship repair and the building of small vessels, as well as the region's proximity to the wider Piraeus area and access to its job market. It also sought to capitalise on the area's places of outstanding natural beauty.

The strategy chosen was appropriate, since the proposed interventions directly addressed the most pressing needs of the population in this area, especially the social inclusion interventions. An

example is the mobile medical unit introduced as part of the programme which provides improved medical services to people living in remote neighborhoods of the municipality. Another example is the support to the kindergarten built in a remote, degraded, and problematic neighbourhood of Perama, which greatly facilitates the life of local inhabitants with children.

## 2.2 Direct Impacts

The programme demonstrated only slow progress up to 2006, but the pace picked up later during the life of the programme. The interviews confirmed that work continues for the full programme to be implemented, despite the delays experienced.

More specifically, the programme achieved the following results and outcomes, presented according to the priorities:

### **PRIORITY 1: Multi-functional upgrading of urban areas – Protection of the environment**

Perama is closely linked to the sea, especially with regard to ship repair and the building of small vessels. However, this activity has had a serious negative impact on the aesthetics and functioning of the coastal zone and the quality of life in the bordering urban area. Therefore, improving the inhabitants' quality of life required an upgrade of the urban environment, namely by reducing pollution and enhancing social services. New infrastructure to establish the area as a destination for cultural and educational tourism is intended to eventually attract new visitors and is expected to contribute to the regeneration of the area.

#### **Measure 1.1 Creation of cultural, educational and leisure tourism infrastructures to develop cultural heritage**

##### *Restoration and maintenance of traditional vessels*

The project involved the restoration and maintenance of four traditional boats that belong to the Municipality of Perama. One of them (*Daidalos*) was restored and supplemented with fishing equipment and was put to sea, while the remaining three (*Saint Barbara*, *Nikolaos South* and *Maria Pagida*) were restored to their initial condition to become exhibits in the new Naval Museum that is under construction (also under URBAN II) at the Western Edge of Perama.

##### *Naval Museum and Centre for the Representation and Interpretation of the naval battle of Salamis*

The Naval Museum is nearing completion. The building of the museum was delayed considerably due to a lengthy tendering process and problems in obtaining a building permit.

The museum will highlight the Naval History of the area, from ancient times to date, in which Perama has played a central role and aims to cover the evolution of techniques used in the shipbuilding sector. Once completed, the museum is expected to improve the western edge of Perama even further and will offer both inhabitants and visitors a much improved physical environment and the chance of a cultural experience. A parking area is also foreseen as well as landscaping of the surrounding area with plants, paving and a playground. An open air

amphitheatre has already been built under the Programme in the surrounding area of the museum and some of the landscaping has taken place around the theatre, with more to happen once the museum is completed.

### **Measure 1.2 Improvement of the environment and the quality of life, urban renewal of the zone between the ship-repairing area, the town and the entrances of Perama**

This measure consisted of a project focusing on the regeneration of the 20.000 m<sup>2</sup> area between Eirinis and Dimokratias Avenue. The interventions included the improvement of existing and the creation of new public spaces, the paving of pedestrian streets and the creation of 30 parking spaces. The interviewees believe that this measure has contributed to making the area more accessible, particularly for people with special needs. Renovation and improvement of public spaces also took place by renovating two squares (the Paster and Roupel Squares).

#### *Supply of equipment for the collection of solid waste that emanates from the activities of the ship-repair zone (NEZ)*

The Municipality obtained three solid-waste vehicles (instead of the one as originally planned): two solid-waste container vehicles as well as one closed-type container vehicle with compactor. This change was made following the results of an environmental study.

## **PRIORITY 2: Supporting business activity and innovation**

Perama's traditional involvement in the ship-repair industry forms its main comparative advantage for business opportunities to be integrated into the modern business environment. This priority aims at providing technical support for ship-repair businesses and creating new business opportunities, namely through tapping the available pool of skilled labour, upgrading their skills through the provision of training opportunities and promoting new sources of employment that require skills similar to those found in ship-building and repair (e.g. ship modeling).

The planned infrastructure measures under URBAN II also included an e-commerce centre and a network of telematic services for ship-repair aimed at boosting the competitiveness of small and medium-sized businesses. However, this sub-measure was dropped as a project since it was considered not to be in line with EU competition rules. The sub-measure was also deemed to be insufficiently aimed at creating alternative occupations for citizens, which are unrelated to the ailing ship-building sector.

### **Measure 2.1 Technical assistance to the companies of the shipyards and promotion of new sources of jobs**

#### *Support for entrepreneurship*

This strand was managed and run by the Central Managing Authority in Greece, in cooperation with the banking sector. The creation of new businesses and the upgrading and modernisation of existing ones was intended to be supported with public expenditure of €1.6 million and to be

matched with an equal amount of private money. In reality, the implementation of this measure was delayed and, since the overall funding decreased due to N+2 rules, the budget made available for this measure ended up being less than that originally envisaged. Also, the timing of the implementation of this measure coincided with the onset of the current global financial crisis. As a result, the interest on the part of enterprises to invest in this measure was lower than anticipated. Another factor which limited the take-up of this measure by enterprises was the fact that the Perama programme limited the scope of support to enterprises operating only in sectors related to ship-building and repair. The measure was not open to enterprises in other sectors such as catering, cafeterias etc. Hence, a small number of enterprises applied for support and only 14 enterprises were selected for support under this measure, instead of the originally planned 20 enterprises.

#### *Centre of Naval Modeling*

The Centre of Naval Modeling currently exhibits 15 wooden ships of various periods of Greek and foreign naval art, while 50 blueprints and 30 modeling kits were also acquired for models which will be manufactured in the Centre. There is also a training laboratory on naval modeling operating in the museum. In this context, training courses related to naval modeling are being offered to young unemployed people.

### **PRIORITY 3: Fighting against social exclusion – encouraging equal opportunities**

This priority aimed to improve the quality of life of social groups currently threatened with exclusion, and providing equal opportunities for all. The new welfare services generated by the programme focused on counselling measures for job-seekers through the setting up of an 'infokiosk' and a 'tele-cottage', childcare centres and care facilities for the elderly. The programme will also provide a training infrastructure for businessmen, senior staff and unemployed workforce.

#### *Measure 3.1 Improvement of the social and citizen's services*

The measure included the development of a study on the organisation and operation of the social services offered by the municipality. As a result of this study a telematic services system was planned in the form of a municipal "one stop" kiosk with information and public services for the citizens as well as info desks and a centre providing information and support for employment services in order to offer better services for people remote from the labour market. The equipment for this service has been purchased during the URBAN II programme and the municipality is now looking for appropriate staff for the municipal employment services.

Furthermore, a tele-medicine diagnostic unit was created by upgrading the municipal medical centre with equipment for a coordination centre and a teleconference system. A mobile unit with suitable personnel and equipment was also created to offer immediate medical care for the citizens of Perama. This is reported to have led to a major improvement of the situation.

**The first centre for elderly citizens of Perama project;** included the planning, construction and equipment of a building for the support and creative activity of the elderly citizens of Perama. The

centre has recently been completed and it is forecasted to serve 50 elderly citizens.

**The second centre for elderly citizens of Perama project;** was set-up in an existing building of 493 m<sup>2</sup> with a budget of €0.5 million. This project constitutes an important step towards the modernisation of the social services of the municipality, providing space for recreation and entertainment for the elderly as well as physiotherapy, discussion and creative activities through the development of ergo-therapy. The centre has been running successfully, servicing 150 individuals. It is open daily and includes physiotherapy and ergotherapy sections, as well as an infirmary and a social services desk.

**The day care centre and Kindergarten in Ano Perama project;** experienced considerable delays. However, the municipality states that it is committed to this project and the construction measures are nearing completion. The kindergarten will house a day-care centre of 375 m<sup>2</sup> for 30 children and a kindergarten of 383 m<sup>2</sup> that will serve 6 babies and 24 infants, in the neighbourhood of Ano Perama. This will provide a significant support for women in the area, in the absence of any other childcare facilities in that neighbourhood. The budget for this measure is €950.000.

#### *Measure 3.2 Vocational training*

Vocational training programmes were also carried out and these included seminars with the following subjects: "*Training of unemployed women, with priority to those in danger of exclusion*", "*Management and Administration of cultural and recreational services*", "*Wooden ship-building crafts*", "*Marketing, business, quality assurance and new technologies for employers in the naval industry*" "*Environment and counter pollution measures for Ship-Repairing enterprises*" and "*Craftsmanship of wooden naval models and toys*". The budget for this measure was €700,000.

#### **PRIORITY 4: Technical assistance including promotion and dissemination activities.**

In general, the results relate well to the objectives set, albeit with delays in their implementation, for many of the measures. In terms of impacts, it is too soon to tell what these will be, considering that implementation of the Programme continued well beyond 2006 and that some social structures as well as the museum have just been completed or are currently being completed and they still have to be staffed and start their operation before their impact can be assessed.

Projects which were often highlighted as having the greatest impacts included:

- **The second centre for elderly citizens of Perama:** a new building was built in land already owned by the municipality allowing the services to the elderly to be offered in a space owned by the municipality, taking away the burden of paying rent for premises, and freeing up resources for offering additional services to the elderly. Interviewees consider that upgrading services for elderly citizens was really necessary for the area where elderly citizens do not have other possibilities to socialise and access care services. The centre now caters for a higher number of elderly citizens than originally planned.

- **The tele-medicine diagnostic unit:** this consisted of upgrading the Municipal Medical Centre with the supply of equipment of a coordination centre and teleconference system and a mobile healthcare unit to offer immediate medical care for the citizens of Perama. This measure is reported to be very well received and well utilised within Perama. Inhabitants either go to the Municipal Medical Centre to get examined or if they are less mobile, they can call the Mobile Diagnostic Unit, which can come to their house to carry out a medical examination. These services were urgently needed in Perama which has many hilly and remote neighbourhoods, making it difficult for elderly people and people with disabilities to visit a physician. The mobile service is intended to reach out to lonely people and people with reduced mobility. There are also plans to introduce a schedule of school visits by the mobile unit to carry out student health checks. The service has become well-known by word of mouth, and also by advertising it inside the Municipal Medical Centre. The key success factors for this project have been: a) that it offers immediate communication and immediate service to the citizens, since a doctor and a mobile unit arrive shortly after the telephone call, and b) that it offers a concerted, well organised service valued by its users.
- **The new cultural venues** created are also expected to have a big impact in the near future. The open air theatre and the naval modeling centre, together with the museum which is close to completion, are an important addition for Perama, an area that lacked cultural structures and venues.

Thus the impact of the programme consisted both of upgrading existing services (such was the case with the upgrading of the services for the elderly) and creating new services (such as the municipal employment information service, a new kindergarten, a new mobile diagnostic medical unit etc).

### 2.3 Indirect Impacts

Social and physical regeneration can be considered the most successful and visible successes of the Perama programme. The area has certainly changed aesthetically, since many neighbourhoods have been upgraded physically through the renovation of squares and the creation of pedestrian streets. The main impact however has been the improvements in social services which are facilitating the daily life of citizens. The impact of the upgraded social services is therefore considered the most significant legacy of URBAN II in Perama.

A counterfactual approach towards assessing the impacts of URBAN in Perama is very difficult, since the areas covered by the programme are dispersed throughout the municipality. Isolating the impacts on these areas and comparing them to the rest of Perama or to other areas with similar characteristics is therefore hardly possible. Furthermore, no statistical data on current unemployment or other indicators that would enable a quantitative comparison of the prior and current situation are available at this level.

## 3.0 Links with Other Programmes and Policies

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The Perama URBAN II Programme built on a number of previous local development programmes. The idea of developing the area by making the most of its naval heritage since ancient times and its contemporary reality was introduced by local development programmes which started in 1987, and which continued with more interventions in 1996-1997, to be complemented by URBAN II from 2000 onwards.

During its implementation, the URBAN II programme in Perama did not have major links with other EU or national programmes in the area. Compared to other Greek URBAN II areas, Perama was receiving few funds from other programmes such as the Structural Funds, during the duration of URBAN II. On top of this, Perama had low absorption rates under other local development programmes, such as LEADER or the Regional Operational Programme.

A point to note regarding the support to entrepreneurship under URBAN II in Greece is that it subsequently helped to shape the integrated urban interventions in the context of the Greek Regional Operational Programmes (ROPs). These encompassed subsidies to SMEs in the framework of the integrated programmes of urban development introduced in urban areas facing major development problems.

## 4.0 Factors of Success

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In light of the difficult socio-economic situation, the limited success of previous development programmes, and numerous bureaucratic obstacles, the Perama URBAN II Programme can be considered as relatively successful. Key factors contributing to the success that at least part of the URBAN Programme enjoyed included:

- The commitment and engagement of the Perama municipality in the project. The near absence of an URBAN II partnership may at first sight be considered a weakness of the programme. However, the fact that the municipality of Perama was the main body and the driving force behind the design, the management and the implementation of the programme brought the benefit of sustainability. The municipality of Perama started the projects and oversaw their implementation until completion. Despite a change in political control of the local government, there is ongoing commitment to maintain and to further develop the social services created under the URBAN II Programme.
- A solid design phase, where local stakeholders were consulted on the needs and possible solutions for the area's problems. The design was coherent, and addressed problems on many fronts. The analysis of the multiple problems the area is facing led to the inclusion of a large number of small projects in the Programme. This could be considered as fragmentation,

especially since in reality many of these projects suffered delays in implementation. However, it is also a success factor in the sense that small improvements occurred on many fronts.

- The fact that URBAN II built on and brought added value to the strategies introduced by other EU initiatives that had been previously promoted in the area was also a success factor.

## **5.0 Level of an Integrated Approach**

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The integrated approach, which was a key feature of URBAN II, helped to give direction to the design of the intervention in the case of Perama. This was especially relevant since Perama faced multiple problems covering all possible intervention areas (economic, employment, social, infrastructure and environmental problems). The approach to addressing many smaller problems rather than a few big ones also ensured that, even if some projects did not perform as hoped, there would always be others with good results. The psychological benefits of this approach – and its contribution to a change in mindset in the neighbourhood - are not to be underestimated.

## **6.0 Programme Management**

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As stated above, the URBAN II programme was managed by the municipality of Perama. This arrangement gave rise both to opportunities and to threats. The municipality of Perama was not very experienced in managing large-scale, integrated, EU co-funded projects prior to URBAN II. In particular the ‘technical office’ of the municipality, responsible for monitoring the implementation of the urban and physical regeneration parts of the Programme was lacking experience in organising and delivering such projects. This gave rise to delays and inefficiencies on the one hand, but on the other hand, the URBAN II experience helped build the capacity of the municipality in managing such initiatives and also helped develop the skills of individual staff members who are now well placed to manage complex projects.

Partnership and capacity building of the local stakeholders cannot be said to have been a strong point of the Perama programme, since it was the municipality of Perama which was responsible for the design and implementation of the majority of measures.

Other partners such as local stakeholders, chambers of commerce etc, mainly had a consultative role and were not strongly involved in design and implementation. Open monthly meetings and information days were held during the course of the programme to make the programme known, to

inform the local community on progress, provide information and consult with local stakeholders. In these meetings, members of the municipal council were often present, but the meetings were also open to citizens, who sometimes attended when the topic was of broader public interest.

Starting from a baseline of a small number of local organisations and from a low capacity of such organisations, capacity improvements have occurred during the course of – and largely thanks to – URBAN II. Undoubtedly, the capacity of the municipal authority itself and the capacity of local organisations in Perama has increased during the course of the Perama URBAN II Programme. The local cultural organisation of Perama, for example, has developed from a small entity with little remit into running three venues (the open air theatre, the naval modelling centre and the soon-to-be-completed museum) and is organising cultural activities there.

The URBAN II measures in Perama also provided the opportunity to involve new stakeholder organisations in the broader urban development debate. URBAN II has helped to mobilise stakeholders such as the Chamber of Commerce of Piraeus to come to Perama and become involved in the discussions on how to make the best of URBAN II enterprise support measures. However, Perama still lacks certain key local level organisations and associations, which are currently only found in the wider Piraeus area and which inevitably may not have a close rapport with the area.

All interviewees confirmed that collaboration between the municipality of Perama and central agencies, such as national ministries and the central managing authority was very satisfactory.

Regarding the management of the programme, the main lesson that the municipality has drawn from the URBAN II experience is to allow sufficient time for programme planning, taking into account bureaucratic obstacles in obtaining the permits required and other common delays. Especially the constructions of new buildings, but also public tendering processes, are prone to significant delays in Greece. As a result, the timeframes initially foreseen at the programming stage proved unrealistic. Even recruitment procedures to staff the social services created took longer than anticipated, adding to the delays that need to be factored into the design of any similar initiative. Fragmentation in the design of many small projects with small budgets also makes managing a programme more complicated, hence greater prioritisation of projects to be supported and more realistic time and resource budgeting is essential.

Regarding monitoring, there is a lack of information about the longer term impacts of the programme. These are obviously difficult to ascertain where projects are only just now being completed, but this lack is also evident for those measures already completed and operational.

## 7.0 Sustainability and Legacy

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Interventions on a much greater scale would be needed to make a substantial difference in Perama. Despite the relatively small scale of the URBAN II programme compared to the major socio-economic problems it faces, URBAN II helped establish some much-needed services and helped to initiate physical regeneration and develop community and institutional capacity.

At a project level, the infrastructure created under URBAN II certainly remains in place. This includes the marine modelling centre, the museum, the open amphitheatre and the renovated squares and roads. The infrastructure in cultural venues and the physical regeneration of the West End of Perama is expected to have a lasting impact on reviving public life in this part of the city. The impact of the physical regeneration work carried out on the two main roads of Perama and on public squares and spaces, has not had the expected impact but it is the view of interviewees that interventions on a much bigger scale would be required to make a difference in this area of intervention.

The social services established during the URBAN II Programme are being continued with funding by the local authority and have helped to fill significant gaps in the provision of social services in Perama.

All interviewees stressed that the municipality of Perama assigns high value to all of these social services. The municipality is therefore determined to further expand them and keep them running with municipal resources, beyond the end of URBAN II funding, even though it is not a 'rich' municipality with many resources to spare.

Interviewees also stressed the fact that since the Perama programme suffered from delays in implementation, longer term impacts are not yet visible, but could become more evident in the near future. Based on the experience of other URBAN interventions in other areas of Greece, it is expected that the interventions of URBAN II in Perama will bear fruit in the next 5 years. For example this is the timeframe needed for a museum to bring new visitors to Perama. More people will then come to the area for the first time, for instance through school visits from the wider conurbation. Inhabitants themselves will have a new area to use once the museum is completed and will feel the impact of the URBAN II intervention more strongly in the coming years.

## **ANNEX 1**

### **List of interviewees**

- 1) Mr Themis Tsigounakis, Programme manager
- 2) Dr Ioannis Patsilinakos, ex-mayor, current member of the municipal council
- 3) Ms Laskari, Tele-medicine unit director, Perama
- 4) Mr Nikos Bouzas, Researcher, National Centre of Social Research
- 5) Mr Ioannis Tsigourakos, URBAN II Central Managing Authority
- 6) Ms Maria Aggelidou, URBAN II Central Managing Authority