

**EXPERT EVALUATION NETWORK
DELIVERING POLICY ANALYSIS ON THE
PERFORMANCE OF COHESION POLICY 2007–2013
YEAR 1 – 2011**

**TASK 2: COUNTRY REPORT ON ACHIEVEMENTS OF
COHESION POLICY**

GREECE

VERSION: FINAL

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**A report to the European Commission
Directorate–General Regional Policy**

CONTENTS

Executive summary	4
1. The socio-economic context	6
2. The regional development policy pursued, the EU contribution to this and policy achievements over the period.....	8
The regional development policy pursued.....	8
Policy implementation	10
Achievements of the programmes so far	12
3. Effects of intervention	29
4. Evaluations and good practice in evaluation	30
5. Concluding remarks – future challenges	33
References.....	35
Interviews	38
Tables	38
Annex.....	42

LIST OF ABBREVIATIONS

- AIR Annual Implementation Report
- CBC Cross-border Cooperation
- CSF Community Support Framework
- EC European Commission
- ECB European Central Bank
- EEN Expert Evaluation Network
- ERDF European Regional Development Fund
- ESF European Social Fund
- ETEAN Hellenic Fund for Entrepreneurship and Development
- FRS Financial Risk Sharing
- ICT Information Communication Technology
- IMF International Monetary Fund
- IPA Instrument for Pre-Accession Assistance
- JASPERS Joint Assistance to Support Projects in European Regions
- JEREMIE Joint European Resources for Micro to Medium Enterprises
- JESSICA Joint European Support for Sustainable Investment in City Areas
- NSRF National Strategic Reference Framework
- OP Operational Programme
- R&D Research and Development
- RES Renewable Energy Sources
- ROP Regional Operation Programme
- RTDI Research Technology Development Innovation
- SME Small and Medium-sized Enterprises

EXECUTIVE SUMMARY

The economic problems of Greece continued and even worsened during the period studied. GDP fell further by 5%, unemployment soared all over the country, with no special patterns between more and less advanced regions and inflation was the highest in the Eurozone.

While policy design was adequate and reflected the development problems of the country, implementation was awkward from the very beginning. The main concerns of the previous year remain acute despite visible speeding up of absorption and certain important modifications in the administrative set up:

- *The notorious economic problems* of Greece were further aggravated in 2010 and financial constraints limited the availability of matching funds. However, after the identification of the problem, the special provision of the retroactive 85%–15% share of funding foreseen by the Commission to facilitate absorption in the member states with serious national constraints allowed to increase absorption.
- *In quantitative terms* implementation and certified expenditure, which were very low at the end of 2009, did speed up in 2010. In particular the ERDF certified expenditure reached 21% bringing the country to the 12th position of all member states. However, the increase was insufficient to catch up with the national targets and more efforts are necessary to absorb all EU funds in the period foreseen. Significant governance changes are needed, including shifting of funds and potentially a 95%–5% rule for the immediate future.
- *In terms of quality* spending and achievements they are still too limited to be able to assess impacts. However, the general perception is that from the very beginning the planning was front loaded with too many interventions, using the likelihood of maturity as a criterion of approval rather than ex ante evaluations demonstrating the value of individual interventions for the development model of the country. This had serious implications increasing the allocation of funds to 150% of the initial earmarking in all OPs. This in turn created the fallacy that no shifting of funds between programmes would be necessary, since all of them were oversubscribed. However, many of the programmes and projects approved are now recognised as unable to be completed within the current programming period. A de-congestion exercise is now acknowledged as necessary, but pressures to maintain earmarked funds are delaying it. Getting rid of deadweight that will allow focusing on what is feasible is important and needs political determination to overturn short term reactions.
- *Within sectoral priorities* Entrepreneurship and Competitiveness, composed mainly of State aid, is doing significantly better than other policy areas. This is partly due to experience with calls for proposals and demand from the private sector but it also partly masks allocations as certified expenditure, when resources are transferred to financial intermediaries (the newly created Hellenic Fund for Entrepreneurship and

Development and the Jeremie and Jessica holdings), which have not spent them yet. Monitoring their spending should be included in future assessments. Transport suffers significantly in terms of implementation because of insufficient matching funds for Major Projects and the deadlock in concession agreements. Similarly in energy and the environment small individual support schemes advance much faster than large projects.

- The country as a whole continues to be downgraded not only by rating agencies but also by competitiveness scoreboards. *In terms of regional progress* the transitional and convergence regions do not show a systematic pattern of differentiated behaviours, hence making it impossible to reliably assess impacts of the economic gap between them. Some convergence regions are doing better than others and even better than the Phasing In regions. The metropolitan areas in general have higher absorption. One may formulate a hypothesis that richer regions have more mature administrations and thus better utilisation of development funds, but this remains to be confirmed, when impacts can be assessed.
- *Finally in terms of administrative capabilities* the country suffers significantly. Efforts to simplify administrative procedures are not always effective; occasionally they backfire because of lack of coordination, political determination or even insufficient experience. The unique country aversion to evaluations and prioritisation, cultivated by traditional policy makers (mainly at the regional level), who consider local knowledge more relevant than evidence-based policy end up with a boomerang effect. All governments until now proved unable to sever the Gordian Knot of lack of administrative capabilities and political bargain in the regions on the one hand and the insufficient resources and legitimization of the central administration to substitute for it on the other.

1. THE SOCIO-ECONOMIC CONTEXT

The main features of the socio-economic situation in Greece remain similar to those of 2009: The economy depends heavily on the service sector, which contributes almost 70% of Gross Value Added compared to 63.5% in 2005. The manufacturing basis has been rapidly eroded after the accession to the EU and then the massive migration of traditional industries to the Balkan countries in the last ten years. Tourism and shipping are the most dynamic sectors followed by retail, storage and communications. Construction, both infrastructure and residential, which played a crucial role in earlier development phases is continuously shrinking during the current crisis.

The fiscal problems were further aggravated, as the government proved unable to meet the milestones of the restructuring plan agreed with the Troika (the EU-ECB-IMF monitoring mechanism in exchange for a EUR 110 billion loan) and a second aid package (including a *voluntary* reduction of bond values to be paid to creditors) was negotiated at the beginning of 2011; its implementation is still pending. In 2010 and the beginning of 2011 GDP shrunk and unemployment increased with bankruptcies continuing in all 13 regions from 2010 into 2011. Inflation in 2010 was the highest in the Eurozone and well above European average partly triggered by VAT increases. The business sector has made a significant effort to overcome the national demand by internationalisation and exports increased in 2010 and are expected to reach a record high in 2011, while imports continue to shrink¹. A serious interest of foreign investors started to be manifested for the first time since years, due to the record low prices in the Athens Stock Exchange and the Fast Track in *Invest in Greece* and the privatisation process. However, there is hardly an expectation to return to growth even in 2012.

The lack of macroeconomic stability affects all dimensions of the economy including the design and implementation of the European Regional Development Fund (ERDF) and the Cohesion Fund (CF) support. The whole territory of Greece is divided into 13 NUTS 2 regions the significant disparities between them, which (in terms of economic development) are determined by the population, the level of urbanisation, the geographical location and the availability of transport infrastructure. Regions with higher development include those with significant tourist flows (South Aegean Islands), concentrated industrial units (Sterea Ellada) and natural resources for energy production (Western Macedonia). Comparatively wealthier are also the regions around the two metropolitan centres of Athens and Thessaloniki, Attica and Central Macedonia respectively, which have the most highly skilled population².

¹ Based on the estimates of the Centre of Export Studies exports rose by 10% in the first semester of 2011; the rise comes mainly from increases towards the competitive markets of Europe and North America and includes higher value added products with Greek know-how (To Vima 11/9/2011).

² There are two "phasing-in" regions (Sterea Ellada and South Aegean Islands), three "phasing-out" ones (Attica, Central Macedonia and Western Macedonia) and the remaining eight are "convergence" regions.

GDP continues to decline as the country could not yet exit the vicious circle of excess deficits and lowering demand. The efforts to reduce debt and deficit have destabilised the economy, which is in vain struggling to return to growth. Significant tax increases and reductions in benefits and wages of the public sector curtail demand and lead to a significant number of bankruptcies, which increases unemployment that curbs demand even further. GDP has shrunk by 8% until now³, while unemployment rose from 10.3% in the last trimester of 2009 to almost 16.6% in May 2011⁴. Youth unemployment doubled since the beginning of the crisis, from 18.6% to 40.1% and so did female unemployment from 10% to 20%. Male unemployment more than tripled⁵. This inevitably leads to political protest and social upheaval.

Data on regional disparities is only published until 2008 with the exception of unemployment, for which the latest available figures are for May 2011. This shows a very uneven pattern of deterioration⁶: In the *Phasing In* regions South Aegean is most severely hit passing from 3.2% in May 2008 to 14.2% in May 2011, while Sterea Ellas doubles the share from 7.2% to 14.8%. *Phasing Out* regions show also an even pattern with Western Macedonia having now the highest unemployment in the country passing from 9.7% to 24.9%, Central Macedonia increasing from 7.8% to 19.8% (2.5 times, but still lower than Western Macedonia) and the capital region, Attica, from 8.1% to 15.6%. From the *Convergence* regions Epirus, Thessaly and North Aegean range between 12%–13%, the two former nearly doubling from 2008, whereas the latter almost quadrupling. Crete, Peloponnese, Western Greece, the Ionian Islands and Eastern Macedonia/Thrace are all above 13% with the latter having the second highest unemployment rate in the country with 20.2%, all of them more than doubling their unemployment share. The general conclusion is that there is no systematic effect of the crisis on unemployment. The most severely hit regions in terms of relative rise of unemployment (quadrupling) are the four insular regions, being both convergence and competitiveness regions. Similarly the highest unemployment rates are currently observed in both competitiveness and convergence regions, all three of them in the North of the country. Explanations may be found in company migration and pace of absorption of structural funds, but there is no systematic evidence on either one. The ERDF support to the domestic use of RES, which has clear income criteria may be the only effective intervention supporting low income groups⁷.

In regional policy emphasis is given to infrastructure, innovation and the knowledge economy, tourism, energy and the environment. Interventions implemented in the previous programming periods had visible effects on several important fields of the economy but the least developed mountainous areas and small, peripheral islands remained with the same

³ Operational Programme Competitiveness and Entrepreneurship, Programming Period 2007–2013, AIR 2010

⁴ Hellenic Statistical Authority, <http://www.statistics.gr/portal/page/portal/ESYE/PAGE-consumerworks?inputA=2>

⁵ Hellenic Statistical Authority Bulletin, August 11th

⁶ *ibid*

⁷ Hellenic Republic, Ministry of Economy, Competitiveness and Shipping (2009)

structural problems, even if slightly improved. Outmigration from those most deprived areas continues.

Having identified the delays and inefficiencies of regional development policies and the opportunities offered by the Structural Funds efforts are under way to take better advantage: a recently agreed decrease of national matching funds (the 85%–15% rule agreed between the European Commission and member states in serious financial difficulties) and some administrative reforms have accelerated and are expected to further accelerate absorption. A discussion has started on the possibility to further shift these shares to 95%–5%, which would give more opportunities to the country to speed up implementation.

2. THE REGIONAL DEVELOPMENT POLICY PURSUED, THE EU CONTRIBUTION TO THIS AND POLICY ACHIEVEMENTS OVER THE PERIOD

THE REGIONAL DEVELOPMENT POLICY PURSUED

The main characteristics of the regional development policy pursued can be summarised as follows:

- The core strategic objectives outlined by the National Strategic Reference Framework (NSRF) include the promotion of innovation, research and entrepreneurship and their linkage; investment in the viable infrastructure; energy and environment; investments in human capital.
- The NSRF is implemented through 14 OPs. Five out of nine sectoral programmes are funded by the ERDF and the Cohesion Fund, the remaining four by the ESF.
- As the thirteen regions were aggregated into five ROPs with geographical criteria, neighbour regions of different development status (convergence, phasing in and phasing out) are put together under the same ROP, keeping different funding axes.
- A complex interaction of centralised calls (to make up for regional administrative drawbacks) distributing then the funds according to regional funding axes has advantages and disadvantages. Efforts to simplify procedures and the central–regional interaction were considered inadequate. Examples of controversial guidelines, changes three times in the way certification of beneficiaries is required and similar processes create confusion and occasionally penalise efficient administrations.
- A total of EUR 20.4 billion⁸ is allocated to Greece (EUR 19.6 billion the Convergence Objective, EUR 635 million are earmarked for the Competitiveness and Employment Objective and EUR 210 million under the European Territorial Cooperation Objective).
- Cohesion Fund resources (EUR 3.7 billion) go into infrastructure and environmental projects of national relevance with emphasis to “phasing in” regions, while the ERDF supports entrepreneurship, competitiveness and digital convergence.

⁸ A total of three EU Funds: the Cohesion Fund, ERDF and ESF

- The allocation of funds is in line with the policy objectives: the largest amounts are allocated to physical infrastructure, environment and sustainable growth, RTDI and ICT.
- The “competitiveness” funding is concentrated more in entrepreneurship, RTDI, education and human resources development and e-economy, while “convergence” priorities focus on transport infrastructure; mainly motorways, urban transport and urban development as well as environment and sustainability.
- Three cross-border cooperation programmes with Cyprus, Italy and Bulgaria co-funded by the ERDF prioritise the reinforcement of competitiveness and entrepreneurship, promotion of RTDI, improvement of quality of life, environmental security and sustainable development, reinforcement of accessibility and human resources development.

By the end of 2010, no shifts were made in the allocations of the national and regional programmes. Efforts are to increase absorption as all axes are at the moment under-spent. Certain revisions are considered addressing the ideas of linking grants to job creation⁹ and focusing on SMEs and internationalisation of the economy.

While it is not timely to make shifts, a lot was changed to speed up implementation. This started with the modification of the administrative framework of the NSRF by a new law targeting the simplification of the processes and accelerating of the implementation of the projects adopted in March 2010¹⁰. In July 2011 an agreement for the acceleration of the NSRF was signed between the Greek Minister of Development and the Commissioner of the Regional Policy. The agreement is expected to bring about the benefit for the real economy of about EUR 14 billion. The main points of the agreement are as follows¹¹:

- Horizontal reduction of the National Contribution from 27% to 15% (retrospectively since 2007), which is expected to increase the 2011 budget by EUR 770 million and by EUR 2.125 billion by 2013. The further reduction of the National Contribution to 5% for the period 2011–2013¹² is a new option under discussion (saving of national contribution of about EUR 4.8 million).
- Unblocking of the five Major road network Projects¹³ of the total budget of EUR 11 billion, which are expected to be re-launched by the end of 2011. To this end, the framework of the co-financing of the concession agreements incorporated in the NSRF is being revised to allow for EU funds to be used for expropriations, which could not be covered by the national resources.

⁹ <http://www.e-boss.gr/eboss/articles/article.jsp?context=103&articleid=13552>

¹⁰ Details are provided in the next Chapter (“Policy Implementation”).

¹¹ Sources: <http://www.enet.gr/?i=news.el.politikh&id=293391>, <http://www.enet.gr/?i=news.el.oikonomia&id=293297>, <http://www.bms-sa.gr/epitaxinsi-espa.aspx>

¹² At least for the Major Projects, Concession Agreements, Trans-European networks, Environmental projects

¹³ the Ionian Road, the North-West Axis of Peloponnesus, the E65, the Axis Korinthos – Tripoli – Kalamata and the Axis Maliakos – Kleidi

- Release resources from stagnating projects in order to provide liquidity to enterprises. In this way, the overspent resources directed to the initiatives in the field of entrepreneurship will be infused by EUR 500 million for 2011 and 2012.
- Following an agreement with the European Commission a Task Force¹⁴ is created to resolve problems and mobilise the NSRF resources through technical assistance and support to eliminate all barriers in the implementation of national development policy.

Shifts were adopted following the return of unused resources from the Instrument for Pre-Accession Assistance for cross-border interventions (IPA-CBC), additional (returned) funds were allocated to the Greece – Cyprus and Greece – Bulgaria cooperation programmes by Cyprus (in the first case) and Greece (in the second case). These decisions resulted in the modification of the Programmes' financial tables. Thus, the budget for the Greece – Cyprus programme was increased by about EUR 1.8 million reaching now EUR 60.1 million, while the initial budget of the Greece – Bulgaria programme (EUR 130.3 million) was increased to EUR 132.3 million. In the second case, the additional amount was allocated to the Priority Axis "Quality of Life" due to the significant interest expressed by the potential beneficiaries as well as the needs of the area¹⁵.

Overall, there are still real bottlenecks in absorption deriving from administrative inadequacies and matching funds insufficiencies. Both are partially addressed in 2011 but these interventions are unlikely to allow the country to catch up with its delays until the end of the year.

POLICY IMPLEMENTATION

Approvals by priority area in 2010 demonstrate clear policy priorities in the three categories of regions:

- Approvals in the Sectoral Programmes are highest in Transport and Telecommunication followed by almost exactly the same amount by Enterprise Environment and then Environment and Energy. Technical Assistance and Territorial development are only 4% and 1% of all allocates Community contribution. The allocation of sectoral programmes by region indicates that for the convergence regions Transport and Telecommunications is the highest priority, followed by enterprise Environment and then Environment and Energy, whereas for Phasing Out regions the order is Environment and Energy, followed by Transport and Telecommunications and then by Enterprise Environment. Finally Phasing In regions

¹⁴ The Task Force was created in agreement with President Baroso and will be located in Athens. It is known as the Reichenbach Task Force from the name of its chairman and it is has created high expectations but the time schedule and precise milestones are not yet formally known

¹⁵ European Territorial Cooperation Programme "Greece – Cyprus" 2007–2013, AIR 2010 Greece – Cyprus and European Territorial Cooperation Programme "Greece – Bulgaria" 2007–2013, AIR 2010

give absolute priority to Enterprise Environment followed by Transport and Telecommunications.

- However, in order to better understand the overall policy priorities one needs to combine the sectoral distribution by region with the approvals in the Regional OPs themselves. In this case Territorial Development becomes an important part ranging second for the Phasing IN regions and third for Convergence and Phasing Out regions substituting for the relevance of Environment in the first two cases and Transport and Telecommunications in the Second.
- Table A below demonstrates the total priorities by region and policy area.

Table A – Relative policy priority by type of region as reflected by approvals of allocated Community contribution

		Enterprise Environment	Human Resources	Transport	Environment and Energy	Territorial Development	Technical Assistance
CONVERGENCE	Sectoral	Second (34.1%)		Top (41.6%)	Third (16.7%)		
	Regional	Second (25.0%)		Top (35.6%)		Third (22.8%)	
PHASING IN	Sectoral	Top (73.1%)		Second (22.4%)	Third (62.0%)		
	Regional	Top (43.2%)		Third (19.5%)		Second (25.8%)	
PHASING OUT	Sectoral	Third (7.5%)		Second (20.1%)	Top (72.1%)		
	Regional	Third (39.0%)			Second (29.1%)	Third (18.5%)	

Source: Calculations based on Appendix 2

This table clearly indicated that Enterprise and Environment is the major priority area if all OPs are taken into consideration, although Transport and Telecommunications absorb the highest funding. Territorial development is (by definition) relevant only for the ROPs, being most important in the Phasing In regions. Energy and Environment is most relevant in the Phasing Out regions, because they include the two metropolitan areas of the country, where the population and manufacturing sector are concentrated and both congestion and pollution calls for high interventions in the area.

These allocations would be expected to reflect policy implementation. However, all interviewees converge to the suggestion that both regional and sectoral policy makers launch calls following a logic of absorption. Based on the initial indicative allocations by priority area as many calls as possible are launched. There is no updating or control on the policy priorities; both calls for proposals and invitations to potential beneficiaries are launched to all potentially interested parties. This has resulted in calls representing on the average 150–160% of all funding potential, with dispersion from 120–200%. The high number of calls leads to a high number of approvals (approximately 100% in mid 2011).

This process is expected to make up for the inability to control for the maturity of the programmes and projects potential beneficiaries wish to implement.

Shift of policy emphasis in the last years (not yet reflected in any kind of formal reallocation of ERDF/CF funds) is now given to the interventions in the field of energy efficiency with a range of new actions incorporated in the OP “Competitiveness and Entrepreneurship” (“I save”, “I change air-condition”, “Replacement and recycling of old energy-consuming home air-conditioning devices”). Important in terms of scope and budget committed (EUR 396 million) programme “Saving in Households” was restructured during 2010 (due to the usage of the Holding Fund) and launched in February 2011.

Both commitments and expenditure increased rapidly in 2010. The average commitment rate for the Sectoral and Regional Operational Programmes co-funded by the ERDF and the Cohesion Fund reached about 70.5%; the commitments for the OP “Technical Assistance” and “Improvement of Accessibility” as well as ROP “Thessalia – Sterea Ellada – Ipiros” exceeding 90%.

Although policy prioritisation appears logical, the real challenge is in achievements. The high call-high approval strategy, as a means to reduce front-loaded controls, backfires. A very large number of approved programmes/projects are still not activated and a process of “de-congestion” has started which will eliminate approved projects and liberate funds to be shifted to other priority areas/axes/OPs. While at the beginning this strategy was seen as effective, it seems that eventually it has done more harm than good. It allowed maintaining the initial fund distribution until rather late in the programming period, thus avoiding extensive central controls and protests from potential beneficiaries losing funds. But on the other hand it has created an overload of immature projects, which will be eliminated too late and trigger a race for moving their funds elsewhere. It seems that the shift that could be avoided until now will have to be made under more time and policy pressure.

In short, one can observe that:

- implementation in the form of approvals is still in line with what was planned, mainly because there has been no reallocation and progress was measured in calls rather than expenditure
- implementation did accelerate considerably in 2010, but the real challenge is certified expenditures and achievements, which are still lagging behind.

ACHIEVEMENTS OF THE PROGRAMMES SO FAR

Implementation, in the form of certified expenditure was very low in 2009. The first three years of the programming period were dedicated to legislative, regulatory and administrative preparation of the management authorities and beneficiaries resulting in limited achievements in both the “competitiveness” and “convergence” regions. Progress and achievements until December 2009 almost exclusively deriving from projects carried out from the previous programming period or calls for proposals in the context of programmes

already tested in previous periods. Large environmental, infrastructure, complex construction projects and initiatives depending on public response (funding schemes) were most disquieting in terms of timeliness and even in terms of the likelihood of their implementation.

Implementation has improved in 2010, however still remaining below the targets set¹⁶:

TOTAL ERDF (EUR million)	15,321.7	3,323.3	21.7%
TOTAL Cohesion Fund (EUR million)	4,850.8	599.6	12.4%
TOTAL ERDF+CF (EUR million)	20,172.6	3,922.9	19.5%

These numbers place Greece in about the 12th place of all member states in terms of the implementation rate. The ERDF demonstrates higher implementation than the CF, with implementation rates remarkably similar at around 21% both for Sectoral and Regional Operational Programmes.

Table B – Certified eligible expenditure compared to Total Funding Approved in Sectoral Programmes

Priority Code	Total funding of the OP (EU and national) (EUR million)	Total amount of certified eligible expenditure (EUR million)	Implementation rate (%)
Enterprise Environment	1,519.0	550.2	36.2
Digital Convergence	1,075.0	100.5	9.4
Technical assistance	225.9	28.7	12.7
Transport and telecommunications	4,976.2	887.9	17.8
Environment and Energy	2,250.0	157.8	7.0
TOTAL ERDF (sectoral)	5,195.2	1,125.4	21.7
TOTAL Cohesion Fund (sectoral)	4,850.8	599.6	12.4
TOTAL ERDF + Cohesion Fund (sectoral)	10,046.1	1,725.1	17.2

Source: Calculations converting O.P.s to Policy Priority Areas

Table B below demonstrates that the implementation rate at the end of the fourth year of the programming period was rather low in the sectoral Operational Programmes. Certified expenditures are highest for the Competitiveness and Enterprise Operational Programme, contributing to high implementation in the Enterprise Environment. However, this priority

¹⁶ The amounts of all expenditure tables were split up by Policy Priority based on the figures available for the Priority Axes of each OP. The expenditure in the Priority Axis "Reinforcement of the Accessibility Infrastructures – Energy" was split up by Policy Priority (Environment–Energy and Transport) based on the Priority Codes (FOI) available in the AIR2010 for the OP "Attica". It was not possible to determine the exact amounts for the Total Funding allocated for each of these two Policy Areas since the available amount is the whole amount of the Total funding allocated for the Priority Axis "Reinforcement of the Accessibility Infrastructures – Energy" (not split up by priority code). So, the whole amount of the Priority Axis was included in the "Environment–Energy" policy area.

area is diminished if the Digital Convergence OP is taken into consideration, whose absorption lags well behind with 9.35% of certified expenditure compared by the total funding approved.

Table C– Certified eligible expenditure compared to Total Funding Approved by ROPs

	Total funding of the OP (EU and national) (EUR million)	Total amount of certified eligible expenditure (EUR million)	Implementation rate (%)
Attica'	3,051.0	601.5	19.7
Enterprise Environment	703.0	414.0	58.9
Human Resources	0.0	0.0	0.0
Transport*, **	na	13.0	na
Environment and Energy*, **	2,127.0	112.4	5.3
Territorial Development	188.0	61.5	32.7
Technical Assistance	33.0	0.7	2.1
'Western Greece – Peloponnesus – Ionian Islands'	1,143.0	220.7	19.3
Enterprise Environment	132.0	63.9	48.4
Human Resources			0.0
Transport	271.0	48.3	17.8
Environment and Energy	722.6	108.1	15.0
Territorial Development			0.0
Technical Assistance	17.3	0.5	3.1
'Central Macedonia – Western Macedonia – Eastern Macedonia & Thrace'	3,264.5	733.3	22.5
Enterprise Environment	761.5	346.2	45.5
Human Resources			0.0
Transport	762.7	164.9	21.6
Environment and Energy	1,683.7	220.5	13.1
Territorial Development			0.0
Technical Assistance	56.6	1.7	3.0
'Thessalia – Sterea Ellada – Ipiros'	1,474.0	413.9	28.1
Enterprise Environment	406.3	168.2	41.4
Human Resources			0.0
Transport	332.6	62.4	18.8
Environment and Energy	703.4	179.6	25.5
Territorial Development			0.0
Technical Assistance	31.6	3.8	11.9
'Crete and the Aegean Islands'	1,194.0	228.5	19.1
Enterprise Environment	140.5	98.0	69.8
Human Resources			0.0
Transport	360.7	52.5	14.6
Environment and Energy	618.5	74.0	12.0

Territorial Development	54.7	3.1	5.6
Technical Assistance	19.6	0.9	4.5
TOTAL ERDF (regional)	10,126.5	2,197.9	21.7
TOTAL Cohesion Fund (regional)	0.0	0.0	0.0
TOTAL ERDF+Cohesion Fund (regional)	10,126.5	2,197.9	21.7

Source: Calculations based on the table from the file "SFC07_10_AIR_FinancialTable_07072011.xls"

Table C presents the certified expenditure by ROP. The artificial integration of the 13 regions in five neighbour regions' ROPS and Table D re-aggregates them by Objective. Phasing In regions have by far the highest certified expenditure with 36.2% with Enterprise and Environment raking top with over 1/3 of expenditures already paid by beneficiaries and certified. Convergence has the lowest share of certified expenditure suggesting that there is a correlation between the development level and the administrative capability to implement development projects.

Table D – Certified eligible expenditure compared to Total Funding Approved by Regional Objective

Priority Code	Total funding of the OP (Union and national) (EUR million)	Total amount of certified eligible expenditure paid by beneficiaries (EUR million)	Implementation rate (%)
TOTAL PHASING-IN	805.0	291.3	36.2
Enterprise Environment	277.1	129.4	46.7
Human Resources			0.0
Transport	147.3	45.1	30.6
Environment and Energy	309.6	110.7	35.8
Territorial Development	54.7	3.1	5.6
Technical Assistance	16.4	3.0	18.3
TOTAL PHASING-OUT	5,715.5	1,212.8	21.2
Enterprise Environment	1,441.2	736.9	51.1
Human Resources			0.0
Transport*	502.5	117.8	23.5
Environment and Energy*	3,505.5	294.7	8.4
Territorial Development	188.0	61.5	32.7
Technical Assistance	78.3	1.8	2.3
TOTAL CONVERGENCE	3,606.0	693.8	19.2
Enterprise Environment	425.1	223.9	52.7
Human Resources			0.0
Transport	1,077.2	178.1	16.5
Environment and Energy	2,040.2	289.1	14.2
Territorial Development			0.0
Technical Assistance	63.5	2.8	4.4
TOTAL ERDF (regional)	10,126.5	2,197.9	21.7
TOTAL Cohesion Fund (regional)	0.0	0.0	0.0
TOTAL ERDF+Cohesion Fund (regional)	10,126.5	2,197.9	21.7

However, it is clear that Attica, which is a Phasing Out region (the largest in the country in terms of wealth and population) is slightly below the country average. Thessalia, Sterea, Ipeiros composed of two convergence and one Phasing In regions is the only one ranking significantly above average.

Major achievements concerned the Enterprise support and RTDI policy area where support is mainly delivered in the form of grants making easier the incorporation process. The territorial development actions, supported mainly through ROPs, have already brought about meaningful results in the form of created/upgraded social infrastructure, tourist accommodation and cultural attractions.

Slow progress with almost negligible achievements was recorded for the interventions in the areas of environment and transport infrastructure. This is because such interventions, by their majority, include complex and time-consuming by their nature large-scale projects. Better progress showed the projects continuous from the previous programming period due to their comparatively advanced implementation stage.

Major barriers limited the progress may be attributed to the following factors:

- the devastating economic and financial crisis and the lack of national financial resources;
- lack of coordination in the administration;
- delays due to significant number of the large-scale projects (especially in the areas of environment and transportation) that are by their nature complex and time-consuming;
- low level of maturity of the projects.

More detailed information on the main outcomes achieved by the end of 2010 is presented by broad policy area in the following paragraphs. In the cases where the data from indicators set is missing the analysis of the achievements of the programmes is based on some, mostly qualitative, information available on the Annual Implementation Reports 2010 and complemented from the additional sources (e.g., interviews with the relative authorities).

Enterprise support and RTDI

The “Enterprise environment” policy area was designed to absorb around one-fifth of the total budget allocated by the ERDF and the Cohesion Fund¹⁷ with the major emphasis given to the support of innovation in SMEs. A small share of the total resources is provided by the ESF as well (mostly, for RTDI activities)¹⁸. Entrepreneurship and innovation is a priority area as it is the only way to bring the country back to economic growth. The policy area has the highest rate of certified expenditure.

¹⁷ Including allocations for ICT and related activities.

¹⁸ Source: own calculations based on the Excel Table 3 provided by the Core Team

Within 2010, the sectoral OP “Competitiveness and Entrepreneurship” was fully activated. Calls and expenditure were highest in the initiatives targeting the reinforcement of entrepreneurship and the improvement of the business environment for which the respective budgets were over-subscribed in the level of commitments. Three Holding Funds were set up in 2010, namely the JEREMIE Capital Fund, Entrepreneurship Fund and the “Saving in households” Fund with a total budget of EUR 801 million. The larger part of the resources allocated to these funds are directed to the transitional (phasing-in and phasing-out) regions. There are still no tangible results from the operation of the Funds as the real utilisation of the Funds launched within 2011.

The new Hellenic Fund for Entrepreneurship and Development (ETEAN) was set up by the government in the beginning of 2011. The aim of the Fund is to facilitate the access of SMEs to finances through promotion of the new financial engineering instruments with the further aim to reinforce their competitiveness. Special emphasis is given to innovative firms. The Fund operates as the SA with the initial stock capital of EUR 1.7 billion expected to reach EUR 2.5 billion in two-year period. The Funds managed by the ETEAN are co-financed by the OP “Competitiveness and Entrepreneurship” as well as by other OPs co-financed by the ERDF and the European Fisheries Fund. It is expected that the majority of small and medium enterprises, which have no access to the banking system (currently under strong liquidity pressures), will benefit from the operation of the Fund.

In February 2011 a new instrument called “New entrepreneurship” with a budget of EUR 120 million was launched in the context of the JEREMIE initiative. It offers low-interest loans under very favourable conditions¹⁹ to small and very small newly-created firms of firms operating less than three years. The innovative instruments targeting very small enterprises in all economic sectors (“Mikro-loans” of the total budget EUR 60 million) as well as enterprises operating in the field of ICT with up to 250 employees (“Digital Strategy” of the total budget of EUR 180 million) are expected to be launched within 2011. The former instrument is expected to support 2,000 firms to become more competitive in the international markets. Targeted calls exceeding EUR 30 million are also expected within 2011 for the Venture Capital products supporting innovative enterprises and those in the sector of ICT²⁰.

In light of the liquidity trouble faced by SMEs and the uncertainty regarding both the demand and the supply of the financial resources, the immediate disposal of EUR 400 million in the framework of the “Entrepreneurship Fund” was decided. This Fund invests in financial instruments such as Venture Capital funds, guarantee and loan funds.

In comparison to the previous year, tangible results are already visible in 2010 in the form of outcome and result indicators. More than 2,660 projects are in the process of incorporation: 1,480 in the “Reinforcement of Youth Entrepreneurship” and 1,181 in the

¹⁹ The interest rate starts at the level lower than 3% and the reimbursement period is 36 – 72 months.

²⁰ <http://www.mindev.gov.gr/?p=3495>

“Support to Female Entrepreneurship”. Significant results were achieved in the indicators showing the new work places created from the development and operation of the Investment Services Centres (aiming to serve as one-stop shops). The work places created (57) exceed the target value of 29 places. The mobilisation of private capital in the area of the reinforcement of entrepreneurship and internationalisation almost reached the target (EUR 432 million in 2010 out of EUR 548 million target values). The number of new enterprises created through the subsidised programmes in 2010 (214) suggests that the target of 1,270 by 2015 enterprises will be achieved²¹. An interesting contribution to this result was made by the actions for the reinforcement of entrepreneurship of Roma and families with three and more children.

In the area of support to innovation, achievements were highest for the cooperation projects of research institutions and business enterprises, with 61 projects launched in 2010 (out of 98 target value for 2015). There were 12 (compared 13 planned) spin-off and spin-out²². In addition, one cluster was created (compared to two planned for this programming period). The action targeting the reinforcement of the groups of SMEs for the utilisation of the research and technological development projects supported 66 SMEs, outperforming the 19 planned. The number of patent applications made by researchers reached 2 (compared to 15 planned).

There are also provisions for the investments in the context of the Development Law. Co-funding is provided exclusively to the enterprises operating in the Convergence regions. The call was published in May 2010 and 222 investment projects concerning different sectors of economic activity but with the majority related to the tourism sector have already been incorporated.

In general, although the progress achieved in 2010 is significant in comparison to the previous years with some tangible results already available, the majority of the indicators assessed show still very large gap between the value achieved and the target value. Slow progress is related to the complexity of some programmes, the delays in evaluations and integration, lack of coordination in the administration as well as a shortage of adequate IT instruments. Overall, the Digital Convergence initiatives are well behind those of the general entrepreneurship support.

At the sectoral level certification of expenses is overestimated, since it includes the endowment of the different Funds mentioned above, which are expenditures transferred to the newly created funds but not yet transferred from the funds to the business sector. This certified expenditure disguises State aid that has not reached its target yet.

At the regional level, all regions pay significant attention to the reinforcement of the business sector. However, innovation and RTDI (and related) activities are supported mainly

²¹ Take into account that the base value is 795 enterprises thus meaning that the total enterprises created up to the end of 2010 are 1009

²² Take into account that 7 enterprises were created in 2010, while the base value set was 4 enterprises

by the phasing-in and phasing-out regions. Thus, significant resources to the areas of services and applications for SMEs (e-commerce, education and training, networking, etc.) were directed to the Attica and Central Macedonia. The advanced support services for firms and groups of firms was judged as a priority in all the transitional regions absorbing significant shares in the total budget directed to the region²³. More traditional investments support (to a large extent using de minimis) remains a priority in the convergence regions.

Human Resources

Support in this area is mainly provided through the sectoral Programmes such as “Development of Human Resources” and “Education and Life-long Learning” co-funded by the ESF as well as by the specific priority axes of the regional OPs. The ERDF support is almost negligible ranging from 1–3% in the ROPs and virtually 0 in the sectoral programmes.

During 2010 special training programmes for entrepreneurs and employees of new firms that fall under the ESF were designed and launched under the OP “Entrepreneurship and Competitiveness”. There is a special provision that allows the incorporation and financing by the OP (up to 10% of the Community allocations of the OP) of the actions targeting the reinforcement and upgrade of the human capital and supplementing the interventions of the OP mainly in the field of entrepreneurship. Calls were announced for the training programmes in the context of youth and female entrepreneurship programmes as well as the action targeting SMEs in the sector of textile. No tangible outputs can be visible yet as the incorporation of the investment projects were not completed yet. Funding for training actions will depend on the number of potential beneficiaries.

Measures targeting entrepreneurship (the development of new and the reinforcement of the existing firms) contribute to the development of the new working positions. RTDI projects supported by the ERDF result in the development of the researcher positions.

Transport and telecommunications

This policy area absorbs the largest share of the total EU allocations. The major emphasis is given to transportation (almost one-third of allocations) prioritising road transport infrastructure (more than 70% of the overall allocations to this policy area) addressing the critical need of the country for new/reconstructed road connections²⁴. In 2010 more emphasis was given to the rail transportation, which absorbs about 27% of the overall commitments to the transport area²⁵ partly because of the high deficit of the Hellenic Rail Organisation, which has one of the highest deficits in the public sector and needs to be privatised. An improved investment programme (in the form of a dowry) may facilitate the privatisation process.

²³ Based on the total budgets (public expenditure) of the calls announced by the end of 2010

²⁴ Source: own calculations based on the Excel Table 3 provided by the Core Team

²⁵ Source: own calculations based on the Excel Table 4 provided by the Core Team

The priority was given to the completion of the processes concerning the incorporation of the projects continued from the previous period that was realised by December 2010. As the majority of the continuous projects are large-scale projects, the public contribution earmarked for them (EUR 2,795 million) is by far larger than that for the new ones (EUR 832 million). Particular attention is given to motorways and, to a lesser extent, railways and urban transportation in the large city centres. In the area of sea and air transport infrastructure, the focus in terms of budget allocated is given to the eight convergence regions.

However, the implementation of the projects in the “transport” area still lags well behind schedule. While the activation of the relative OP²⁶ and the process of approvals are progressing, the certified expenditure is below average both in the sectoral OP (17.8% by the end of 2010)²⁷ and the ROPs, where it ranges between 14 and 17% with only the Thessalia–Sterea–Ipeiros programme being relatively satisfactory with 21.6%. The delays are related to the serious economic problems faced by the construction sector. The Concession Agreements for the five major projects are in a critical stage. Negotiations between the concessionaires, the public sector, the banks and specialised advisers hired have not resulted in any final agreement yet in September 2011 allowing them to escape from the current stalemate. Cancellation of contracts and new launched are contemplated.

No output or result indicators are reported in the particular OP. Although the vast majority (17 out of 20) of the large-scale projects constitute continuation from the previous period implementation is suffering. Significant improvement is expected as a result of the agreement for the acceleration of the NSRF²⁸ unblocking of the five Major road network Projects.

In total, 57 projects were approved by the end of 2010 corresponding to the total public contribution of EUR 3,628 million. Thus, almost all the projects have already been approved with the exception of the few ones, such as two road construction projects of the concession agreements (Maliakos – Kleidi and Ionia Odos) as well several other projects of smaller scale. In total, 20 projects constitute continuation from the 2000–2006 period, while 37 are new projects.

As far as road transportation is concerned, priority is given to large motorways allowing for adequate connection between regions and with other parts of Europe. The majority of the large-scale projects are at the moment in the stage of construction, as all preparatory requirements (feasibility study, cost–benefit analysis, environmental study etc.) were completed in the previous periods. By far the largest projects in budget terms are the study, construction, financing, operation, maintenance and exploitation of the motorway Elefsina – Korinthos – Patra – Pirgos – Tsakona (total private contribution: EUR 958 million with more

²⁶ “Reinforcement of Accessibility”

²⁷ Operational Programme Reinforcement of Accessibility, Programming Period 2007–2013, AIR 2010

²⁸ The 85–15% rule explained in Chapter 2 (“The Regional Development Policy Pursued”)

than EUR 500 million co-funded by the Community) and the completion of the motorway Korinthos – Tripoli – Kalamata and the section Lefktro – Sparti. Concerning the former, by the end of 2010 all the road safety works were completed. Improvements in the section Korinthos – Patra are now in the process. Progress is also achieved in the delivery of the areas for which the expropriation processes are completed. By now, the amount of EUR 115 million was deposited for expropriations. In the case of the second high-budget project, in the beginning of September 2010 the whole section Korinthos– Tripoli has been delivered. Two more sections were delivered in November and December 2010. For the rest of the motorway the construction works are in progress, demonstrating 30% implementation within 2010. Implementation process in the road transportation area often includes archaeological findings and the relative studies. The need to get clearance from the archaeology services is a specificity of the country and often accountable for significant delays.

In air transport infrastructure, very limited progress in the physical and financial implementation of the projects is reported so far for eight convergence regions. The need of accelerating preparatory works for projects to be mature to be approved was highlighted.²⁹ In the Phasing Out regions the project for the upgrading of the state airport of Thessaloniki “MAKEDONIA” of the total budget (public contribution) of EUR 106 million was approved in the corresponding ROP in 2010. The construction works are progressing and are gradually delivered. The time-schedule of the works for the completion of the project is extended until the end of 2012.

Significant delays were observed in the area of rail transportation which possibly will affect the time-schedule for the completion of the works. Priority is given to the transitional regions (particularly, Sterea Ellada and Central Macedonia) with significant budgets allocated. The most important in terms of the budget allocations project is the completion of the new high-speed double railway Tithorea – Lianokladi – Domokos with the total public contribution of EUR 830 million. By the end of 2010, five construction contracts launched in the previous programming period were in the process of implementation. Three of them, however, face problems in their implementation and completion. Another important project for the construction of the new double railway connecting Athens to Patra in the section Rododafni – Rio and the construction of the electrification system in the section Kiato – Rododafni (convergence regions) of the total public contribution of EUR 614 million is planned to be implemented through 11 sub-projects. By December 2010, no contracts were signed for these sub-projects³⁰. The completion of the railway³¹ is unlikely for the near future as this requires significant additional resources, which are not included in the OP. Additional funding may be requested during the negotiations for the revision of the Programme.

²⁹ Operational Programme Reinforcement of Accessibility, Programming Period 2007–2013, AIR 2010

³⁰ The auctioning process is expected to be launched in the second semester of 2011 (Operational Programme Reinforcement of Accessibility, Programming Period 2007–2013, AIR 2010).

³¹ Specifically, the construction of the last part of the railway in the section Rio – Patra

Projects in the field of urban transportation are concentrated in the phasing-out regions (Attica and Central Macedonia) in the two largest cities, Athens and Thessaloniki. The 2010 approved projects include extension/creation of suburban railways, metros and provisions for clean road transport.

Three continuous and one new project concerning the construction of port infrastructure were approved in the respective OPs in 2010. A small project for the construction of the Port in Chios island (EUR 5.3 million) has been almost completed by the end of 2010. A new large-scale project for the construction of the new port in Igumenitsa (EUR 81 million) is under evaluation.

Significant achievements were recorded in improvement/construction of the off motorway and national roads networks with around 310 km being already completed in the whole country, while national roads constructed/improved were extended by more than 100 km. These figures witness satisfactory progress towards the targets set for 2015.

As it can be seen from the indicators table below, the output figures for the total of Convergence regions are much higher than those for the Competitiveness regions.

Telecommunications absorbs only a small share of 5.8% of the overall ERDF allocations. Priority in this area is given to the five transitional regions with a focus on services and applications for citizens including e-health, e-government, e-learning, e-inclusion, etc.³² Still low but increased in comparison to the previous years was the progress in the implementation of the initiatives in this area. Not very successful experience of the horizontal calls indicates the need for targeted calls that were assessed as critical factor for the acceleration of the Programme³³. Thus, in 2010, 19 new thematic calls were launched.

JEREMIE funding complements ICT spending since 2010. EUR 150 million (from which EUR 70 million concerned the OP "Digital Convergence") were transferred to the JEREMIE Fund for the implementation of the projects in the area of ICT technology. The economic support through JEREMIE distinguishes the following four types of support: Financial Risk Sharing Facility for ICT (FRS – ICT), Seed Capital, Co-investment and ICT Venture Capital Fund. The former was launched at the end of 2010, the others are expected in 2011³⁴.

Tangible outputs in the area are, however, already visible and expressed in the indicators assessed including almost 8,000 citizens benefitting from the funded ICT equipment and almost 200 enterprises supported for the utilisation of ICT.

³² Conclusion based on the budgets of the calls announced until the end of 2010 as they are presented in the AIRs 2010 of the regional OPs.

³³ Operational Programme Digital Convergence, Programming Period 2007–2013, AIR 2010

³⁴ *ibid.*

Environment and energy

A quarter of all funds is directed to this policy area with emphasis on environment infrastructure (85% of the resourced directed to the whole policy area)³⁵. The same stands for the commitments made by the end of 2010³⁶. Priorities are waste water treatment and solid waste management infrastructure to comply with the EU environmental directives. Support in the area of energy is mainly concentrated in the RES utilisation and energy saving actions.

In the annual meeting between the representatives of the European Commission and the Management of the sectoral OP “Environment – Sustainable Development” The absorption levels achieved by the end of 2010 fall short by EUR 53 million in relation to the targets set by the Programme and both at the sectoral and regional level expenditure is low with the exception of the successful Thessalia–Ipeiros–Sterea ROP, which ranks top in all policy areas. Phasing In regions are doing significantly better than the others.

Delays are mostly in the interventions for the prevention and confrontation of environmental danger co-funded by the Cohesion Fund³⁷. The major delays concern the two Major projects of water diversion (Ersinos and Eshatia) of a total budget of EUR 254 million and are related to administrative complexities and lack of technical maturity (the latter). Thus, the second project (EUR 198 million) was approved only at the end of 2010 with no physical or financial achievements made so far. The planned anti-flood projects for the Attica region are not mature either and doubt are expressed regarding the likelihood of their implementation within the time-frames of this programming period³⁸.

For the prevention and confrontation of environmental risks projects, for which the majority of the potential beneficiaries are public administrations, demonstrate a higher share of delays. This inactivity is related to inadequate cooperation with the management of the OP concerning the specialisation of the actions as well as to the maturation of their projects and the launch of their implementation³⁹.

Nevertheless, in comparison to the previous year the implementation of the OP was increased in 2010. The vast majority of the projects incorporated in the OP so far (95%) were incorporated in 2010. There is also a visible acceleration of the implementation. The most significant progress was achieved in the fields of climate change, RES, water resources management and prevention as well as solid waste management co-funded by the Cohesion Fund. Main achievements in these areas are expressed in the respective result and output indicators. Thus, by the end of 2010, 103 illegal solid waste disposal sites were removed (out of 613 planned), while the population for which water supply sufficiency is improved reached almost 40,000 (out of 449,000 planned for 2015). Values, however, of the majority

³⁵ Source: own calculations based on the Excel Table 3 provided by the Core Team

³⁶ Source: own calculations based on the Excel Table 4 provided by the Core Team

³⁷ Operational Programme Environment and Sustainable Development, Programming Period 2007–2013, AIR 2010

³⁸ *ibid.*

³⁹ *ibid.*

of the indicators assessed are still very low (in comparison to the targets set) and this raises question whether these targets will be reached by 2015. For many projects it is difficult to monitor their progress as their achievements are estimated by other than the indicators included in this priority axis⁴⁰. For the area of management and prevention of water resources which absorbs the lion share of the budget allocations of the OP progress in physical implementation of the projects was made entirely within 2010 (not earlier).

Projects co-financed by the ERDF showed slower progress with the exception of the actions implemented in the area of prevention of the natural environment and biodiversity for which the physical progress of the incorporated projects (achieved entirely after the end of 2009) resulted in the respective progress in the indicators. Thus, the number of bodies responsible for the areas under protection that are being set up or reinforced reached 18 in 2010 and constitutes 60% of the target set for 2015.

Progress was relatively more satisfactory in the area of energy with a number of new projects approved and launched in 2010. Such interventions are implemented in the two sectoral programmes, the “Competitiveness and Entrepreneurship” and the “Environment and Sustainable Development”. The ERDF through the former OP supports the investments in energy production from RES, in the utilisation of biomass, in energy saving and energy efficiency actions, while the interventions supported so far by the Cohesion Fund through the “Environment and Sustainable Development” programme include the model projects for the utilisation of RES and energy saving in public and public school buildings (announced in 2010 and 2011 respectively). In terms of outputs, the Installed capacity of energy produced by RES or saved by district heating has reached 37.5 MW out of 350 MW planned for 2015. The effects of the energy saving actions have already become visible and expressed in the reduction of the greenhouse gases by 2.8%, the result much higher than the expected 0.003% by 2015.

Actions for the promotion of clean urban transport are mainly envisaged in the regions with high urban concentration. Within 2010, the archaeological works were completed for seven stations of the Thessaloniki Metro. Moreover, the construction of the separation walls in the eleven points of the project was completed. In total, 7,628 meters of tunnel of single track were constructed⁴¹.

Territorial development

Territorial development actions absorbs 17.5% of the total ERDF and Cohesion Fund allocations with focus on social infrastructure⁴² namely hospitals, educational infrastructure and social care. The commitments made are still insufficient (commitment rate less than

⁴⁰ *ibid.*

⁴¹ Regional Operational Programme, Programming Period 2007–2013, “Macedonia and Thrace”, AIR 2010

⁴² Source: own calculations based on the Excel Table 3 provided by the Core Team

50%) and certified expenditure only 11% of the total ERDF and the Cohesion Fund commitments made by the end of 2010⁴³.

Support under this priority area is mainly earmarked by the ROPs under the priority area for the sustainable development and quality of life. This priority absorbs comparatively high allocations of the ERDF funds for each ROP and in each region. The largest funding goes to the transitional (phasing-out) regions of Attica and Central Macedonia, which include the two major metropolitan centres (Athens and Thessaloniki). Significant resources in all the regions are directed to education infrastructures⁴⁴.

Based on the quantitative and qualitative information available in the respective ROPs, the progress in the implementation, although is still slow, has already brought about the first results. JESSICA holdings created in 2010–2011 resulted in the approval of actions promoting urban and rural areas integrated development planning.

Significant funding is earmarked to the promotion of clean urban transport in the large cities. In 2010 the amount of EUR 323 million was assigned to the OP “Reinforcement of Accessibility” to the interventions in the area of clean urban transportation from the ROP “Macedonia and Thrace”. These resources concern the continuation of the construction of the metro stations and railway in Thessaloniki. Construction works are now on-going and results already visible (more information on the achievements so far is available in the section “Transport and Telecommunications” of this chapter).

Less resources are directed to the territorial development actions in the phasing-in region of South Aegean islands with development inequalities between the most developed islands/centres of the region and remote and small islands characterised by low growth. To address this problem, twenty actions of the total budget (public contribution) of EUR 20 million were incorporated under the specific priority area of the OP “Crete – Aegean Islands”. They include projects targeting the construction/improvement of the off-motorway roads, the upgrade of ports and the creation of school facilities. In this context, 7.1 km of the off – motorway road (out of 15 km planned by 2015) were constructed by the end of 2010. Additional 13 km of the road are expected to be constructed based on the data on integrated actions.

Support in the area of tourism is directly⁴⁵ provided through the support schemes for the reinforcement of entrepreneurship with focus on tourism. The progress was achieved almost in all of the respective indicators in 2010, but their values are still very low in comparison to the targets set⁴⁶.

⁴³ Source: own calculations based on the Excel Table 4 provided by the Core Team

⁴⁴ Conclusion based on the budgets of the calls announced until the end of 2010 as they are presented in the AIRs 2010 of the regional OPs.

⁴⁵ Indirectly, the interventions focusing the reinforcement of cultural infrastructure and cultural heritage also contribute to the improvement of tourist development.

⁴⁶ The main achievements in this area are described in the bullet-points below.

Phasing Out regions have a considerably higher share of certified expenditure in territorial development.

Unlike many other policy areas, in the projects concerning territorial development of the regions the first tangible outcomes (in terms of indicators assessed) have already been visible since 2009. Within 2010, still more indicators were assessed.

Main achievements by the end of 2010 are summarised below.

- Funding in this policy area resulted in 213 (out of the planned 6,970 by 2015) of the country's tourist accommodation units being upgraded and expanded, while the number of new tourist beds reached 387 (out of 5,900). Moreover, 113 (out of almost 3,000 planned) investment plans have been prepared by the end of 2010.
- Concerning cultural attractions, the main achievements include: creation/upgrade of the two cultural infrastructures in the Central Macedonia, nine museums/archaeological sites were upgraded in Eastern Macedonia (overreaching the target of eight units), several archaeological sites were also supported/determined in Western Greece, Peloponnesus and Ionian Islands. Other regions have not still showed any tangible results in this area.
- As regards social infrastructure, support was directed to health infrastructures, education and social care facilities. The most important outputs were achieved in the field of health infrastructure with the number of hospitals created or upgraded in Central Macedonia (784 in 2010) by far exceeding the target set for 2015 (376). Significant progress were also observed in Ionian Islands and Western Macedonia with hospitals developed or upgraded (130 and 100 respectively) reaching the target value. In Sterea Ellada 104 units of the first-level health care were supported (in comparison to 5 units planned), three hospital units and two social care facilities were developed or upgraded. School facilities were upgraded in North Aegean Islands, in Central and Eastern Macedonia and Thrace, Crete and South Aegean.
- Some progress was also achieved concerning waste and waste water management in the regions. Thus, water supply (10.6 km) and drainage networks (12.62 km) were created in Western Macedonia, while in Eastern Macedonia and Thrace the drainage network reached 309.14 km in 2009 and other 230.29 km in 2010. 14 illegal disposal sites (HADA) were restored in Thessaly. In Crete, one new wastewater treatment unit (out of two planned) has been created and eight and three wastewater treatment units were upgraded in Western and Eastern Macedonia and Thrace respectively⁴⁷.

Serious delays that may negatively affect the timely implementation of the projects are to a certain degree related to the restructuring of the local self-governance system taken place in 2010 and the KALLIKRATIS programme.

⁴⁷ Target values are two and six wastewater treatment units respectively for each region

The indicators are provided in the AIM in ROPs and cannot be decomposed in the three regional objectives. However, their overall performance reflects the analysis made above.

Table E – Main output and result indicators

Policy area	Main indicators	Outcomes and results (physical outcomes plus brief note on what has been achieved)*
Enterprise support and RTDI	OUTPUT	
	Number of enterprises created from the subsidised programmes	214
	Number of new tourist beds	387
	Number of SMEs benefiting from the RTDI services provided	66
	Number of new / supported knowledge intensive enterprises (spin-off and spin-out)	7
	Number of new knowledge intensive clusters created	1
	RESULT	
	Number of patent applications from researchers	2
	Number of enterprises supported by special support infrastructure	3,160
	Mobilisation of private capital (EUR mil.)	432
Human Resources (ERDF only)	RESULT	
	Number of new jobs created by supported companies	99
	Full time equivalent man-years of researchers during the programme implementation	78.6
Transport and telecommunications**	OUTPUT	
	Improvement – construction of the national road network (km)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	99.87
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	3.65
	Improvement – construction of roads, except motorways and national road networks (km)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	282.98
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	27.26
	Ports upgraded (number of finalised projects)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	6
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	1
	Citizens benefiting from the funded ICT equipment	7,952
	Enterprises financed for the utilisation of ICT in their daily activities	196
	RESULT	
	Reduction of time/distance (Min)	
	<i>Central Macedonia</i>	5.11
	Companies using new e-government universal services	89%

Policy area	Main indicators	Outcomes and results (physical outcomes plus brief note on what has been achieved)*
Environment and energy	OUTPUT	
	Installed capacity of energy produced by RES or saved by district heating (MW)	37.49
	Illegal solid waste disposal sites restored	103
	Percentage (%) of the NATURA areas for which Managing Authorities were created	11.6
	RESULT	
	Population for which water supply sufficiency is improved (citizens)	39,240
	Percentage of the reduction of the greenhouse gas	2.8
Territorial development (urban areas, tourism, rural development, cultural heritage, health, public security, local development)	OUTPUT	
	Hospital beds being developed / upgraded (number)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	1,302
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	3
	Classrooms being upgraded / developed (number of finalised projects)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	283
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	8
	Infrastructure for the Units of the primary health services (number)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	2
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	104
	Monuments / archaeological sites promoted (number of finalised projects)	
	<i>Convergence objective (convergence + phasing-out) regions***:</i>	13
	<i>Competitiveness and Employment Objective (two phasing-in regions)***:</i>	0
	RESULT	
	Hospital beds being developed / upgraded (%)	
	<i>Central Macedonia</i>	17.1
	Monuments / archaeological sites being promoted (%)	
	<i>Peloponnesus</i>	0.3

* The figures are the consolidated values by the end of 2010

** No indicators have yet been assessed by the OP "Reinforcement of Accessibility". Only the indicators derived from the ROPs are included.

*** The data included constitute the aggregate data for each Objective calculated as a sum of the indicator values for the respective regions (own calculations based on the indicators data for each region).

3. EFFECTS OF INTERVENTION

Some general remarks made in the last year's Country Report but still valid for the current period (up to the end of 2010) are presented below.

- The very slow implementation of the interventions foreseen, the lack of tangible outputs and results as well as the virtually inexistent completed projects make it practically impossible to assess the effects of the intervention. In this way, only potential (rather than real) impact can be assessed based on the previous experience from the similar projects and vague indications from the current implementation progress.
- Maturity rather than potential impact constitutes the primary criterion of inclusion of projects into the relevant OPs, the fact which results in generally lower effects on the ultimate objectives of the development policy. Moreover, it further obstructs the assessment of the potential wider effects of the interventions promoted. Such practice is most visible for the ROPs.
- The continuation of large projects from the previous programming periods expected to be completed in this are likely to have the most rapid visible effects.

Based on the assessment of the last CSF the most visible impacts occurred in the area of transport infrastructure. Similarly, anticipated impact is high after the Agreement for the acceleration of the NSRF calls for de-digestion and elimination of inactive projects⁴⁸ with the further aim to give a boost to the construction sector mostly affected by the crisis and employ about 7,000 workers remained without jobs due to discontinuity of the projects.

High impact is also expected from the urban transportation projects, especially from the construction / extension of the metro lines in the two major urban centres. Based on the previous successful experience (extension of the Athens Metro), positive impacts (notable reduction of cars in the city centre contributing to mitigation of congestion and air-pollution) are expected from the further extension of the metro lines in Athens as well as the construction of metro stations in Thessaloniki. The latter already has had visible outputs.

Effects in the area of environment cannot be assessed as there are no tangible results from the implementation of the projects incorporated in the OP "Environment and Sustainable Development".

Strong emphasis on the innovation and RTD in entrepreneurship projects supported by the Structural Funds suggests positive effect on innovativeness and, in this way, in competitiveness of the Greek firms. However, the country continues to be downgraded in international competitiveness benchmarking exercises. The evidence available so far includes the increased number of firms participating in collaborative RTDI projects and benefiting from the RTDI activity and RTDI services provided to them. Although they are still

⁴⁸ Reference was made to five major road network and other 59 projects.

of very small scale, the new jobs created are one significant impact with 3,500 jobs reported by the press. This is visible especially for the interventions in the field of promotion and reinforcement of entrepreneurship and RTDI.

Intensive, uncontrolled urbanisation of the area and shortage of open space are intensively progressing in the region leading to continuous degradation of the Athens urban centre. According to the data from the AIR 2010 of the respective ROP, the population benefited from the interventions in the field of integrated urban development in the Attica region has already exceeded 6,000.

Some concerns were expressed concerning the impact of the Cohesion policy on the smoothing of regional disparities in Greece. Based on the results of the study targeting to determine trends and perspectives of the regional inequalities in the country⁴⁹, regional policy implemented during the previous CSF was unable to reverse the increasing trends of widening the regional inequalities at a national scale. Although funds are earmarked to improve equality certified expenditure indicated that the impact is likely to be much higher for Phasing In and Phasing Out regions thus leaving the convergence regions more vulnerable.

4. EVALUATIONS AND GOOD PRACTICE IN EVALUATION

Greece is a country with very limited evaluation culture. Although there is a special section for evaluations and studies in the Technical Assistance (code 85) it has not been used for evaluations but only for studies that help promote the maturity of projects to be approved in the sectoral and regional OPs. The transparency of studies supported is limited and they are only selectively in the public domain. In the studies available insufficient performance indicators are used as a monitoring tool for the implementation of development policies. No coherent strategy is still in place for evaluating the effects of interventions co-financed by the ERDF and Cohesion Fund and no important changes were made towards this end during the past year.

The mandatory ex ante evaluations were completed at the beginning of the programming period and reported in the 2009 report. The on-going evaluations foreseen for 2011 were delayed, in agreement with the Commission, because they would have very limited value. Had they been launched on time, with the very limited achievements and certified expenditure, they would resemble more and ex ante than a mid term evaluation. In general, however, it is important to mention that ministerial decisions needed for launching evaluations take very long to be signed, partly because of changes in the administration and partly because they are not given priority by the political authorities.

The Special Support Unit set up on the basis of the Ministry of Development, Competitiveness and Shipping is responsible for organising the evaluations of the OPs and

⁴⁹ Caraveli H., Tsionas M., 2011

ROPs of the NSRF 2007–2013. It has modulated the framework of guidelines for the announcements, assignments and implementation of all the evaluations in the current period. The assignment of the Evaluators for the on-going evaluations is expected within 2011. Thus, the actual implementation of no on-going evaluation was still launched.

A systematic search for other evaluations and relevant studies was followed but very little material was identified.

- Research paper “Regional Inequalities In Greece: Determining Factors, Trends And Perspectives” published in April, 2011: the paper focuses on the examination of the regional inequalities in Greece and investigation of the determining factors of the pattern of unequal development. The role of the Regional policy, implemented through the Community Support Frameworks was examined as well.
- The above task was implemented through empirical testing of the impact of a number of core determinants on regional growth and divergence. The period covered is 1995/97–2007/9. Factors like European economic integration, globalisation and economic crises are also assessed. A dynamic factor model was used to estimate the persistence of the regional inequalities through time. Econometric techniques were also used to examine several basic determinants for regional divergence and growth.
- Main findings of the study are depicted in the table below.
- Master course essay “Structural Policy and Development of the Greek Regions. Evaluation Methods of Structural Policies, The case of the ROP South Aegean”: the essay focuses on the investigation and evaluation of the impact of the Structural Policy in the regional development and cohesion in Greece through the analysis and assessment of the case of South Aegean region. The methodology includes desk research of the existed literature with focus on theoretical frameworks of regional development and evaluation practices, the examination of the specificities of the island character of South Aegean, the effect of segmentation on the development and the intra-regional disparities and the role of the social capital in the development of the region. Priorities and evaluations of the relative ROP were also studied. The essay concerns the period up to 2006 with the major focus on the programming period 2000–2006. Main findings of the study are depicted in the table below.
- Article in the Panorama Info regio, Evaluation of the Cohesion Policy, Thoughts and Results, “New underground railway for Athens”: the article constitutes the review of the impact of the constructed during the previous programming periods Athens Metro. The project was assessed as an example of good practice. Main highlights of the article are referred in the table below.

An extensive search in consulting companies, the academic literature and universities has produced very poor results indicated below:

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
"Structural Policy and Development of the Greek Regions. Evaluation Methods of Structural Policies, The case of the ROP South Aegean", Essay in Master Course "Structural Policy", UoA, Feb. 2006	Evaluation of the Structural Policy in the South Aegean.	Investigation and evaluation of the impact of the Structural Policy in the regional development and cohesion in Greece through the analysis and assessment of the case of South Aegean region	<ul style="list-style-type: none"> – There is a positive trend in the Greek regions towards the regional development and cohesion with other EU regions, but problems still exist. – The CSF and other Community interventions have created positive environment for modernisation of the region of South Aegean. – Although the visible progress towards this end was achieved, serious obstacles including Greek centralised administration and problems related to the geographical characteristics of the region (islands) such as lack of communication with the rest of the country and necessary infrastructure. – The region shows the high levels of assimilation of the new knowledge and adaptation to the requirements to the EU Structural Policy. 	Karamanou A., Figa E. (2006), Structural Policy and Development of the Greek Regions. Evaluation Methods of Structural Policies, The case of the ROP South Aegean, Essay in Master Course "Structural Policy", UoA, Feb. 2006
"Regional Inequalities In Greece: Determining Factors, Trends And Perspectives", April 2011	Regional policies implemented through the CSF in the period 1995/97–2007/09	Empirical investigation of the impact of a number of basic determinants on regional growth and divergence and examination of possible role of regional policy on the observed trends.	<ul style="list-style-type: none"> – The study confirms the persistence over time of regional inequalities in Greece. – "Regional imbalances reveal permanent structural imbalances in the country's production model", – The EU economic integration further increases the disparities, but determines growth prospects at the regional level. – The regional policy pursued was assessed as inadequate to counterpart 	H. Caraveli And M. Tsionas, Regional Inequalities In Greece: Determining Factors, Trends And Perspectives , paper presented at the conference Regional Development and Policy: Challenges, Choices and Recipients, organized by the Regional Science Association and held at Newcastle, UK, 17/4/11–20/4/11

Title and date of completion	Policy area and scope	Main objectives	Main findings	Full reference or link to publication
			unequal development. – Promotion of the knowledge-intensive development path emphasised in the current NSRF was presented as a key to regional cohesion and convergence.	
Panorama Inforegio, Evaluation of the Cohesion Policy, Thoughts and Results	Urban transportation policy area, project for the construction of the underground railway network in Athens	Brief assessment and review of the impacts and effects of the construction and operation of the Athens underground railway	– Significant impact of the constructed metro lines on the reduction of traffic and reduction of transportation time. – The assessment of the project showed a number of good practice examples including good cooperation among different partners. – Significant impetus to the employment and tourism.	European Commission (2010), Panorama Inforegio, Evaluation of the Cohesion Policy, Thoughts and Results , Spring 2010, Issue 33, p.14

While there are no good practices in evaluation there is an interesting case to report in the case of the environment. A study was launched and to monitor environmental impacts on an annual basis. At the end the contractor was expected to produce (i.a.) suggestions for indicators for a potential future thematic evaluation. The Managing Authority considered this a useful exercise that may be replicable for other areas.

5. CONCLUDING REMARKS – FUTURE CHALLENGES

The main concerns of the previous year remain acute despite visible speeding up of absorption and certain important modifications in the administrative set up:

- *The notorious economic problems* of Greece were further aggravated in 2010 and financial constraints limited the availability of matching funds. The retroactive 85%–15% share of funding agreed by the Commission helped but future negotiations on this will focus on a request for a 95%–5% sharing; even if it seems exaggerated it may be the only way to speed up, given the current economic situation.
- *In quantitative terms* implementation and certified expenditure, which were very low at the end of 2009, did speed up in 2010. However, the increase was insufficient to catch up with the national targets and more efforts will be needed to absorb all EU funds in the next period .
- *In terms of quality* spending and achievements are still too limited to be able to assess impacts. A de-congestion exercise is now acknowledged as necessary, but pressures to maintain earmarked funds are delaying it. It is important to reduce the over-allocation of funds using primarily potential impact (complemented with the

proof of project maturity) and better streamlining of allocations with implementation by getting rid of deadweight.

- *Within sectoral priorities* State Aid to the business sector progress more rapidly than major projects, where the public administration is the final beneficiary. Improvement conclusions here are of two kinds: firstly monitor closely financial intermediaries, who have received resources but have not passed it to the private sector yet and secondly press or support the negotiations to overtake the deadlock of the concession agreements. Similarly large projects in energy and the environment need speeding up.
- *In terms of regional progress* the transitional and convergence regions do not show a systematic pattern of differentiated behaviours. Hence, it is not in terms of types of regions or overall ROPs but mainly in the individual administrations of those of the 13 regions that lag behind that efforts should be concentrated. However, as all regions are still lagging behind in terms of implementation there are serious challenges ahead for the coordinating Managing Authority.
- *Last but definitely not least in terms of administrative capabilities*, the country suffers significantly and major improvements are needed. The interpretation of the ERDF Regulation, the lack of consistency of national rules and their frequent changes, the lack of evaluations, despite availability of funding in the Technical Assistance and the lack of transparency and coordination of studies hamper a sound systematic priority setting and a rewarding policy cycle. Although the current economic climate leading to lowering salaries for civil servants damps enthusiasm and drive to change, this is absolutely imperative for the future. The Greek administration does not show signs of learning over time and the arrival of the EU Task Force may be an opportunity for leap frogging in that respect. Accountability and controls that proved less severe in the past need to be strengthened at all levels.

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INTERVIEWS

List of the people interviewed and their positions.

Arabatzi Aggela	Managing director, SEPAE (non-profit organisation for the implementation of the Entrepreneurship and Competitiveness OP)
Firbas Yiannis	Evaluation and Strategy Unit, Ministry of Development, Competitiveness and Shipping
Christou Christos	Managing Authority, Ministry of Development, Competitiveness and Shipping
Hatziparadeisis Asterios	Managing Authority, Ministry of Environment, Energy and Climate Change
Lipiridis Yannis	Associate, Deputy Minister's Cabinet, Ministry of Development, Competitiveness and Shipping
Sidiropoulos Nikos	Ministry of Infrastructure, Transport and Networks
Vasilakos Nikos	Chairman, Regulatory Authority for Energy

TABLES

See Excel file for Tables 1–4:

Table 1 – Regional disparities and trends

Table 2 – Macro-economic developments

Table 3 – Financial allocation by main policy area

Table 3 CBC – Financial allocation by main policy area

Table 4 – Commitments by main policy area (by end-2010)

Table 4 CBC – Commitments by main policy area (by end-2010)

Annex Table A – Broad policy areas and correspondence with fields of intervention (FOI)

Policy area		Code	Priority themes
1. Enterprise environment	RTDI and linked activities	01	R&TD activities in research centres
		02	R&TD infrastructure and centres of competence in a specific technology
		05	Advanced support services for firms and groups of firms
		07	Investment in firms directly linked to research and innovation (...)
		74	Developing human potential in the field of research and innovation, in particular through post-graduate studies ...
	Innovation support for SMEs	03	Technology transfer and improvement of cooperation networks ...
		04	Assistance to R&TD, particularly in SMEs (including access to R&TD services in research centres)
		06	Assistance to SMEs for the promotion of environmentally-friendly products and production processes (...)
		09	Other measures to stimulate research and innovation and entrepreneurship in SMEs
		14	Services and applications for SMEs (e-commerce, education and training, networking, etc.)
		15	Other measures for improving access to and efficient use of ICT by SMEs
	ICT and related services	11	Information and communication technologies (...)
		12	Information and communication technologies (TEN-ICT)
		13	Services and applications for citizens (e-health, e-government, e-learning, e-inclusion, etc.)
	Other investment in firms	08	Other investment in firms
2. Human resources	Education and training	62	Development of life-long learning systems and strategies in firms; training and services for employees ...
		63	Design and dissemination of innovative and more productive ways of organising work
		64	Development of special services for employment, training and support in connection with restructuring of sectors ...
		72	Design, introduction and implementing of reforms in education and training systems ...
		73	Measures to increase participation in education and training throughout the life-cycle ...
	Labour market policies	65	Modernisation and strengthening labour market institutions
		66	Implementing active and preventive measures on the labour market
		67	Measures encouraging active ageing and prolonging working lives
		68	Support for self-employment and business start-up
2. Human resources (Cont.)	Labour market policies (Cont.)	69	Measures to improve access to employment and increase sustainable participation and progress of women ...
		70	Specific action to increase migrants' participation in employment ...

Policy area		Code	Priority themes
		71	Pathways to integration and re-entry into employment for disadvantaged people ...
		80	Promoting the partnerships, pacts and initiatives through the networking of relevant stakeholders
3. Transport	Rail	16	Railways
		17	Railways (TEN-T)
		18	Mobile rail assets
		19	Mobile rail assets (TEN-T)
	Road	20	Motorways
		21	Motorways (TEN-T)
		22	National roads
		23	Regional/local roads
	Other transport	24	Cycle tracks
		25	Urban transport
		26	Multimodal transport
		27	Multimodal transport (TEN-T)
		28	Intelligent transport systems
		29	Airports
		30	Ports
		31	Inland waterways (regional and local)
		32	Inland waterways (TEN-T)
4. Environment and energy	Energy infrastructure	33	Electricity
		34	Electricity (TEN-E)
		35	Natural gas
		36	Natural gas (TEN-E)
		37	Petroleum products
		38	Petroleum products (TEN-E)
		39	Renewable energy: wind
		40	Renewable energy: solar
		41	Renewable energy: biomass
		42	Renewable energy: hydroelectric, geothermal and other
		43	Energy efficiency, co-generation, energy management
	Environment and risk prevention	44	Management of household and industrial waste
		45	Management and distribution of water (drink water)
		46	Water treatment (waste water)
		47	Air quality
		48	Integrated prevention and pollution control
		49	Mitigation and adaption to climate change
		50	Rehabilitation of industrial sites and contaminated land
		51	Promotion of biodiversity and nature protection (including Natura 2000)
		52	Promotion of clean urban transport
		53	Risk prevention (...)
		54	Other measures to preserve the environment and prevent risks
5. Territorial development	Social Infrastructure	10	Telephone infrastructure (including broadband networks)
		75	Education infrastructure
		77	Childcare infrastructure
		78	Housing infrastructure

Policy area		Code	Priority themes
	Tourism and culture	79	Other social infrastructure
		55	Promotion of natural assets
		56	Protection and development of natural heritage
		57	Other assistance to improve tourist services
		58	Protection and preservation of the cultural heritage
		59	Development of cultural infrastructure
	Planning and rehabilitation	60	Other assistance to improve cultural services
	Other	61	Integrated projects for urban and rural regeneration
		82	Compensation of any additional costs due to accessibility deficit and territorial fragmentation
		83	Specific action addressed to compensate additional costs due to size market factors
6. Technical assistance		84	Support to compensate additional costs due to climate conditions and relief difficulties
		81	Mechanisms for improving good policy and programme design, monitoring and evaluation ...
		85	Preparation, implementation, monitoring and inspection
		86	Evaluation and studies; information and communication

ANNEX

Evaluation grid for examples of good practice in evaluation

BASIC INFORMATION		
Country		
Policy area (Enterprise support, RTDI, Transport, etc.)		
Title of evaluation and full reference		
Intervention period covered (2000–2006; 2007–2013; specific years)		
Timing of the evaluation (when it was carried out)		
Budget (if known): EUR		
Evaluator (External evaluator, internal evaluator, EC)		
Method (counterfactual analysis, process analysis, case study, econometric model, analysis of indicators, etc.)		
Main objectives and main findings (very short description – 3–4 lines)		
Appraisal (Why you consider the evaluation an example of good practice: – 2–3 lines)		
CHECK LIST	YES	NO
UTILITY		
Report Clarity and Balance		
Are the objectives, methods and findings of the evaluation clearly described?		
Are the conclusions and recommendations clearly supported by the analysis?		
Are the strengths and weaknesses of the intervention being evaluated fairly assessed and reported?		
Is the outcome of the intervention clearly reported?		
RELIABILITY OF FINDINGS		
Evaluation design		
Is the approach adopted by the evaluation and method used clearly set out?		
Is the approach and methods suitable given the objectives of the valuation and the intervention being assessed?		
Are the details of the operation of the intervention clearly described?		
Are the mechanisms through which the intervention is intended to achieve its objectives clearly identified?		
Context		
Is the socio-economic and policy context clearly set out?		
Are the effects of the economic and/or policy context on the outcome of the intervention clearly described?		
Information Sources		
Are the quantitative and/or qualitative data used suitable for the purpose for which they are used?		
Is the reliability of the data fairly assessed and described?		
Analysis		
Are appropriate procedures/techniques used to analyse the data and/or qualitative information?		
Are suitable procedures used to check the validity of findings?		
Is the validity of the findings reached clearly demonstrated?		
Do the policy recommendations follow clearly from the findings of the analysis?		