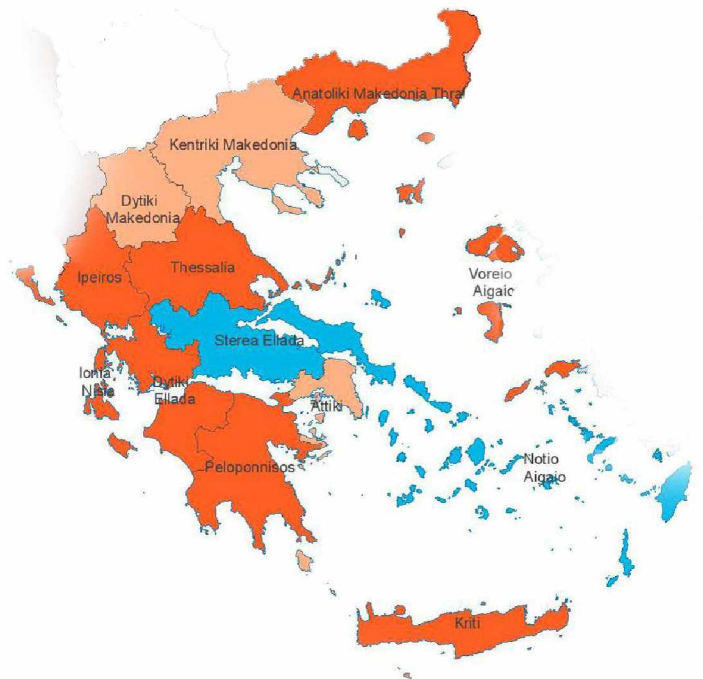


UNIVERSITY OF THESSALY DEPARTMENT OF PLANNING AND REGIONAL  
DEVELOPMENT

POSTGRADUATE PROGRAM IN EUROPEAN REGIONAL DEVELOPMENT  
STUDIES

## GREEK NSRF



2007-2013

Dissertation:

### **Evaluation of the allocated resources of the Greek NSRF 2007- 2013 in Sectoral and Regional level**

JUNE 2015

TZORTZI OURANIA

Dissertation Committee:

Supervisor: Professor Petrakos George  
Duquenne Marie Noelle  
Tselios Vasileios

Dedicated to my Mother  
and Father

## ABSTRACT

During the past 15 years, the European Cohesion policy has become one of the most intensively evaluated policies in Europe. Over the years, the European support to its Members has grown in parallel with European Integration. However, the accession of new less developed countries stressed the need for policy changes and for redefinition on the funding priorities. Withal, Greece has been, ever since, a primal beneficiary for funding, still additional structural adjustments needed to be done. After several periods of funding, the National Strategic Reference Framework (NSRF) of Greece, set for the period 2007-2013, was applied for serve this purpose and to fulfill former obligations. The actual stage of the examination is the evaluation of the per capita allocated resources of the NSRF 2007-2013 in the Greek regions, through the application of Sectoral and Regional Operational Programmes. A more meticulous image on the course of regional funding will be drawn via data analysis, illustrating also the performance of the NSRF. As a final point, the conclusions that will arise from the evaluation of the strategic programme will be helpful to acknowledge if the principle of the Policy was successfully applied.

**Key words:** Cohesion Policy, Structural Funds, NSRF 2007-2013, Operational Programmes.

## ΠΕΡΙΛΗΨΗ

Κατά τη διάρκεια των τελευταίων 15 ετών, η Ευρωπαϊκή Περιφερειακή Πολιτική, έχει γίνει η πιο εντατικά αξιολογήσιμη πολιτική στην Ευρώπη. Με το πέρασμα των χρόνων, η ευρωπαϊκή υποστήριξη των μελών της αυξανόταν παράλληλα με την Ευρωπαϊκή Ολοκλήρωση. Ωστόσο, η είσοδος λιγότερο ανεπτυγμένων χωρών έκανε έντονη την ανάγκη για αλλαγές στην πολιτική και τον επαναπροσδιορισμό των χρηματοδοτικών προτεραιοτήτων. Αν και η Ελλάδα ήταν ανέκαθεν, πρωταρχικός δικαιούχος για χρηματοδότηση, παρόλα αυτά πρόσθετες διαρθρωτικές αλλαγές έπρεπε να γίνουν. Μετά από αρκετές χρηματοδοτικές περιόδους, το Ελληνικό Εθνικό Στρατηγικό Πλαίσιο Αναφοράς, οριζόμενο για την περίοδο 2007-2013, εφαρμόστηκε για να εξυπηρετήσει τον σκοπό αυτό και να εκπληρώσει προηγούμενες υποχρεώσεις. Το ακριβές υπόβαθρο της εξέτασης είναι η αξιολόγηση της κατά κεφαλήν κατανομής των πόρων του ΕΣΠΑ 2007-2013 σε Τομεακό και Περιφερειακό επίπεδο. Μια πιο προσεγμένη εικόνα της πορείας της περιφερειακής χρηματοδότησης θα προκύψει μέσω ανάλυσης δεδομένων, η οποία απεικονίζει επίσης την επίδοση του ΕΣΠΑ. Ως τελικό σημείο, τα συμπεράσματα που θα προκύψουν από την αξιολόγηση του στρατηγικού προγράμματος θα είναι χρήσιμα στο αν αναγνωριστεί αν η βασική αρχή της πολιτικής εφαρμόστηκε με επιτυχία.

**Λέξεις κλειδιά:** Περιφερειακή Πολιτική, Διαρθρωτικά Ταμεία, ΕΣΠΑ 2007-2013, Περιφερειακά Προγράμματα.

## TABLE OF CONTENTS

<b>ABBREVIATIONS.....</b>	<b>I</b>
<b>ACKNOWLEDGMENTS .....</b>	<b>II</b>
<b>CHAPTER 1: INTRODUCTION.....</b>	<b>1</b>
<b>CHAPTER 2: COHESION POLICY &amp; STRUCTURAL FUNDS REFORM .....</b>	<b>4</b>
2.1 THE EU'S PERSPECTIVE.....	4
2.2 THE CONCEPT OF COHESION POLICY .....	4
2.3 A HISTORICAL PERSPECTIVE .....	5
2.4 TOWARDS THE REFORM.....	10
2.4.1 <i>FIRST REFORM: 1988-1992 PROGRAMMING PERIOD</i> .....	11
2.4.2 <i>SECOND REFORM: 1993 - 1999 PROGRAMMING PERIOD</i> .....	14
2.4.3 <i>THIRD REFORM: 2000 - 2006 PROGRAMING PERIOD</i> .....	17
2.4.4 <i>FORTH REFORM: 2007 - 2013 PROGRAMMING PERIOD</i> .....	20
2.5 CONCLUDING REMARKS .....	23
<b>CHAPTER 3: COHESION POLICY IN GREECE.....</b>	<b>24</b>
3.1 GREECE- A HISTORICAL OVERVIEW .....	24
3.2 COHESION POLICY IN GREECE.....	27
3.3 THE COMMUNITY SUPPORT FRAMEWORKS (CSFS).....	29
3.3.1 <i>FIRST COMMUNITY SUPPORT FRAMEWORK (1989-1993)</i> .....	31
3.3.2 <i>SECOND COMMUNITY SUPPORT FRAMEWORK (1994-1999)</i> .....	35
3.3.3 <i>THIRD COMMUNITY SUPPORT FRAMEWORK (2000-2006)</i> .....	38
3.3.4 <i>NATIONAL STARATEGIC REFFERENCE FRAMEWORK (2007-2013)</i> .....	40
3.3.5 <i>THE OBJECTIVES OF THE GREEK NSRF (2007-2013)</i> .....	42
3.4 STRUCTURE OF THE OPERATIONAL PROGRAMMES .....	45
3.4.1 <i>SECTORAL OPERATIONAL PROGRAMMES</i> .....	46
3.4.2 <i>REGIONAL OPERATIONAL PROGRAMMES</i> .....	51
3.5 CONCLUDING REMARKS .....	52
<b>CHAPTER 4 .....</b>	<b>54</b>
4.1 DATA ANALYSIS .....	55
4.2 SECTORAL OPERATIONAL PROGRAMMES .....	58
4.2.1 <i>ENVIRONMENT-SUSTAINABLE DEVELOPMENT</i> .....	58
4.2.2 <i>ACCESSIBILITY IMPROVEMENT</i> .....	61
4.2.3 <i>COMPETITIVENESS AND ENTREPRENEURSHIP</i> .....	63
4.2.4 <i>DIGITAL CONVERGENCE</i> .....	65
4.2.5 <i>DEVELOPMENT OF HUMAN RESOURCES</i> .....	67
4.2.6 <i>EDUCATION AND LIFELONG LEARNING</i> .....	70
4.2.7 <i>PUBLIC ADMINISTRATION REFORM 2007-2013</i> .....	72
4.2.8 <i>TECHNICAL ASSISTANCE</i> .....	75

4.2.9 NATIONAL CONTINGENCY RESERVE .....	76
4.3 REGIONAL OPERATIONAL PROGRAMMES (ROPS).....	79
4.4 CONCLUDING REMARKS .....	83
<b>CONCLUSIONS.....</b>	<b>85</b>
<b>APPENDIX I – MAPS.....</b>	<b>92</b>
<b>APPENDIX II – DATA TABLES.....</b>	<b>94</b>
<b>APPENDIX III - DATA LIST .....</b>	<b>100</b>
<b>REFERENCES.....</b>	<b>105</b>

## **ABBREVIATIONS**

CF: Cohesion Fund

CSF: Community Support Framework

EEC: European Economic Cooperation

EC: European Community

ECU: European Currency Unit

EU: European Union

EIB: European Investment Bank

ERDF: European Regional Development Fund

EMU: European Monetary Union

ESF: European Structural Fund

FIFG: Financial Instrument for Fisheries Guidance

GNI: Gross National Income

IDP: Integrated Development Programme

IMP: Integrated Mediterranean Programme

NATO: North Atlantic Treaty Organization

NSRF: National Strategic Reference Framework

OP: Operational Programme

RDP: Regional Development Programmes

ROP: Regional Operational Programme

SEA: Single European Act

## ACKNOWLEDGMENTS

As this project nears completion, there are many people whose support I gratefully acknowledge.

First and foremost, I acknowledge the members of my dissertation committee, the Rector of the University of Thessaly, Department of Planning and Regional Development and Professor Petrakos Georgios my research supervisor, the Associate Professors Duquenne Marie Noelle and Tselios Vasileios for their patient guidance and Professor Kallioras Dimitrios for his enthusiastic encouragement and significant contribution on this research work.

I owe a debt of gratitude to the Lector Anagnostou Ageliki of the Department of Economics who has been supporting and encouraging me ever since I began to work to close to her at the Regional Economics Analysis and Policy Laboratory of the University of Thessaly. However, my gratitude goes beyond her copious comments and pointed direction, to her indefatigable motivation, patience, and kindness – a combination that makes her an admirable person and a professional in her occupation. More over, being a member of the remarkable team of individuals who comprise the workforce of the laboratory has been a privilege for which I am grateful.

I also express my sincere thanks to a special and hard working person, Ms Tsiapa Maria (Urban and Regional Planner and Laboratory Teaching Staff at the Regional Economics Analysis and Policy Laboratory), for her precious counseling, helpful directions and her inexhaustible patience. I would like to offer my thanks also to Cupcea Victor, Tourtouri Myrto and Gatos Sotiris, the Research Associates of the Laboratory, who generously offered their piece of advice, their valuable knowledge and friendship.

My thanks go also to Professor Pantoleon (Pantelis) Skagiannis, to other Faculty Members of the University of Thessaly: Arvanitidis Paschalis, Metaxas Theodoros and Stamboulis Yiorgios, to Adjunct Faculty Members as well: Bogiantzidis Nikolaos, Papadoulis Apostolos, to Associate Professors: Polyzos Serafeim and Sapounakis Aristidis, to Post Academic Staff: Professor Pshycharis Yannis and finally to Laboratory Teaching Staff: Saratsis Yannis. I am grateful for their significant assistance during the course of the Master, through their consultation and the sharing of their knowledge and experience.

I would also express my deepest appreciation to the Administrative Staff of the University, Dragoidou Evi, Kolovou Evi and Vafeiadou Stavroula for being supportive and extremely tolerant and for their warmth encouragement.

My heartfelt appreciation goes to my friends Lemonia Dimitra, Katsatou Dimitra and Parisidou Anastasia for their understanding and their valuable support and encouragement.

Especially, I consider myself fortunate for having always the loving support and wholehearted encouragement of my father and brother and also of my fraternal friend, Michalopoulou Eleni for her strengthening, emotional enlivenment and constant consideration.

Finally, I owe my deepest gratitude to my friend and partner in life George Neokleous and to his family for being patient and encouraging throughout my study.





## **CHAPTER 1: INTRODUCTION**

By the time European Integration has managed to expand its borders in the significant number of the 28 member states, the European Union itself was dedicated to this vision from the very beginning. All the efforts made by the EU were on the design and implementation of a great number of main policies, which were aiming at the achievement of equalities among the participants and development to the greater extent. For the attainment of this purpose, the EU used some significant financial instruments in order to tackle disparities, promote competitiveness and succeed territorial cohesion. The basic pillar for the EU's action was the application of an effective mechanism, that of the Structural Funding Programs.

One of the states that could not be missing from the list of the treated regions is Greece, which turned to become one of the main beneficiaries. It is noticeable that Greece had received several financial packages since 1986 when the country was divided in 13 regions and begun to be treated as Objective 1 (less developed area) in 1988 when the restructuring of financial resources took place. Following, three Community Support Frameworks were applied during the periods 1988 – 1993(1<sup>st</sup> Programming Period), 1994-1999(2<sup>nd</sup> Programming Period) and 2000-2006(3<sup>rd</sup> Programming Period) respectively. During the last period, even though there were signs for convergence between several Greek regions, therefore inequalities and divergence gained ground once again. Nevertheless, the attempts for further financial yet structural support in our country were carried on, setting a new programming period 2007-2013 with the formation of the National Strategic Reference Framework designated as the starting point of an alternative cohesion policy. At this part, the NSRF of 2007-2013 was meant to be a helping hand for the continuity of former goals and for the formation of new ones with a more positive perspective for direct effects on the economic context of Greece.

Though, the perspective for potential future divergence in the field of the Greek economy generated the need to look thoroughly at the course of our country during the forth programming period with the application of the National Strategic Reference Framework

(NSRF) 2007-2013 in regional level. The current dissertation, will provide the opportunity to comprehend why the European Union addresses the accomplishment of the regional cohesion as a principal achievement and whether our country, Greece, has delivered successfully or not, the goals of its NSRF during the period of 2007-2013. Through this assignment, we will be able to examine an era which theoretically has closed but practically it has not been completed, while the following Programming Period (2014-2020) is about to begin.

At this point, it is worth to mention that the dissertation is focusing on the per capita distribution of the NSRF's resources and especially in the sectoral and regional dimension. All the efforts made, pursue to find out which territories, this structural funding program, have being served and why some lagging regions were not able to keep up with others that have noted significant development.

Moreover, the main purpose of this analysis is to evaluate the performance of the current development plan and most importantly to identify if it was implemented according to its initial design. Also, from a detailed description on the distribution of the funds it will be feasible to recognize on the one hand, if the lagging region obtained significant financial support, which verifies at the same time the basic rule of the Cohesion and on the other, if there are any evident disparities among them.

In the past, there have been many theoretical approaches and empirical analysis on the distribution of the financial support that Greece had received in the former Programming Periods. The NSRF of 2007-2013 that is examined here remains under investigation and the content of this dissertation might also be suitable for further literature or for a more extensive empirical analysis.

Regarding the structure, in the second section of the assignment there will be an overview on the evolution of the Cohesion Policy from its early days until today, the constant efforts of the EU for the achievement of integration and the reformation of the Structural Funds. The third section presents a historical background of Greece in the EU, the application of the Cohesion policy in the state and its progress through the three

programming periods. In the forth section, follows an extensive analysis of the programming period of 2007-2013, based on the examination of data and graphs, regarding the allocation of the Sectoral and Regional Operational Programmes resources in per capita terms, by region. The fruitful results from the aforesaid examination will give an insight of the effectiveness of the NSRF 2007-2013.

## **CHAPTER 2: COHESION POLICY & STRUCTURAL FUND'S REFORM**

### 2.1 THE EU'S PERSPECTIVE

A glance at the origins of the European Community (EC), also known today as the European Union (EU), shows that “regional issues” had already been recognized among the nations (Manzella and Mendez, 2009). Since even, the EU highlighted intensively the necessity of the application of development policies, an increasing belief which was likely to be related to the vision of Europe, that of enlargement via economic integration. Regarding its purpose, the EU was intended to perform intense economic activities in order to achieve greater economic and social cohesion. Therefore, these actions seemed to benefit more the core regions, as the average of the financial contribution were concentrated at the central part and affected the periphery in social, economic and political manner. For this matter, the EU through these development policies aimed at the reduction of the divergence among the European regions and the elimination of the increasing gap by taking measures in order to prepare the lagging members for the upcoming difficulties (Rodriguez-Pose and Fratesit, 2004)

### 2.2 THE CONCEPT OF COHESION POLICY

Regarding to the imminent challenges, the EU shed lights on the reduction of the disparities between the member states, the accessing countries and the periphery (Bachtler and Mendez, 2007). Consequently, the need for the implementation of a commonly accepted policy was evident. Moreover, the impetus for the formation of a new regional policy, which would lead to the realization of this purpose, was given through the entrance of poorer Mediterranean countries- Greece (1981), Spain and Portugal (1986) in the European Union membership. This participation triggered the adoption of the Single Market Programme that was based on common policies on product regulations. A few years later, in 1989, the notion of the European Cohesion Policy was initially conceived and elaborated at the European level by member state executives and the Commission, setting the stage for more effective actions, aiming at the support and

development of the less advanced member states (Bachtler and Mendez, 2007; Marks, 1996).

At this point it is worth explaining briefly what Cohesion Policy means, what purpose does it serve and which are its main objectives. According to Molle (2007), Begg and Mayes (1993) cohesion is considered to be “*the degree to which disparities in social and economic welfare between different regions or groups within the European Union are politically and socially tolerable*”. In other words, divergence is noted when the disparities increase and convergence emerge when the disparities are reduced. Within the EU context, the Cohesion Policy aims at promoting social, economic and territorial cohesion throughout the Europe, by curbing the inequalities between the regions and the countries, both at the sub-national and interregional level with the objective of convergence and welfare. Furthermore, the current policy seeks to ensure that the economic benefits from the integration are fairly distributed among the different groups and regions (Leonardi, 2005). In the level of development, the Cohesion policy is mostly measured in terms of the resulting convergence of wealth, competitiveness labour market participation, employment, unemployment and primarily the convergence of GDP per capita income relative to the EU average.

### 2.3 A HISTORICAL PERSPECTIVE

At the very beginning of the European Community there were signs that revealed the existence of difficulties in the regional level, however, the territorial dimension of cohesion was not mentioned in the text of the Treaty of Rome, in 1957. Therefore, in the preamble, the aim of “*reducing the differences between the various regions and the backwardness of the less favored regions*” was significant. It was not until then, when the Treaty of Rome established the Community to certify figurative development by eradicating the differentiations between the regions and by accelerating the pace for catching up of the less-favored ones (Rona M. and Rona F.,2009).

Consequently, the Treaty recognized the harmonious development as a fundamental task of the integration process and linked it with the restriction of regional disparities. What is more, the Article 2 of the Treaty also outlined the “*harmonious development*” within the context of socioeconomic objectives, such as “*balanced expansion*” and “*rising of the standard living*”, as being important elements of the economic and social cohesion. During this period (1958), the European Investment Bank (EIB) was the centripetal mechanism of financial reinforcement of the regional development promotion, designed as an intergovernmental instrument, owned and administered by the Member States. The EIB was mainly created to “facilitate the financing of projects for developing less developed regions” through loans (Commission of the European Communities, 1969). On the other hand, despite the fact, that the involvement of the European Commission in regional development started to become evident, it had an indirect role as the baton was given to the organization of the EIB, and it had only functional links with the World Bank, which was founded during this time as well (Manzella and Mendez, 2009).

Nonetheless, regional policy remained a national competence as “no thought had been given ...to moving the responsibility for the policy from national to the European level” (Leonardi, 2005:33).

Although, the Treaty of Rome did not provide the legal basis for the development of the European regional policy and the shortcomings in the decisions made on the matter, began to show. Consequently, the beginning for the establishment of the process was made by the Commission. In December 1961, it coordinated a “Conference on Regional Economies” which was attended by national administrators with knowledge on the field. Later on, in 1964, the Community’s Firsts Medium-Term policy Programme gave the Commission the incentive to form the first Memorandum on the Regional Policy which called for national participation on regional development programmes under a common methodology (Manzella and Mendez, 2009; Rostow, 1960). Additionally, in 1970 a second Memorandum was designed with a clearer target on the Community regional policy including a proposal for the Council, which was on hold to be decided and led to

an unexpected attention on the regional policy through the intense need for its formation (Commission of the European Communities, 1969).

At the end of the 1960's, a vital factor for the development of a European Community Regional Policy was considered to be the European and Monetary Union, which represented a major step in the integration of the European economies. In addition, the 1970 Werner Report constituted a road map towards the European economic and monetary unification. In particular, the Report commented on the possible prevention of the process due to regional disparities and outlined the importance for structural and regional policies not directly controlled by the nations (Swann, 1995). After that, the EU Cohesion Policy was officially on the EU agenda.

In 1972, at the Conference of Heads of States in Paris, the Member States made clear that their focus should be concentrated on the improvement of the structural and regional imbalances which could impede the Economic and Monetary Union (Commission of the European Communities, 1971). The solution laid behind the "Thomson Report" of May 1973, where the Commission proposed the set up for the European regional policy and the report itself noted that the restriction of regional differences and the upgrade of the lagging regions was "a human and moral requirement of the first importance" (Commission of the European Communities, 1973). A year after, legislative proposals of the Commission were presented to the Council, in which were outlined all the elements, principles and methods that guide even today the EU's Cohesion Policy (Bache, 1998:38). Thus, in 1974, there have been made some financial agreements which were finally approved by the Council in 1975.

Noteworthy, 1975 have been a benchmark for the attainment of the European Cohesion Policy, as one of its pivotal financial mechanisms was launched. In this part, it is of great importance to mention, that the Treaty of Rome provided for the implementation of the regional policy three separate financial instruments that later on were known as the Structural Funds or the main tools of the EU's Policy. More specifically, these Funds are the European Regional Development Fund (ERDF), the European Structural Fund (ESF)



and the Cohesion Fund (CF). At this point, the saying is about the creation of the European Regional Development Fund (ERDF). Along with the introduction of the ERDF, there have been introduced specific policy measures and significant budgets were allocated in favor of regional sustainability. The objectives of this financial tool were the correction of *'the principal regional imbalances within the Community resulting from the agricultural majority industrial change and structural under- unemployment'*. Its main purpose was the achievement of regional development, economic change, enhancement of the competitiveness and thereby territorial co-operation throughout the EU. Furthermore, the ERDF was considered to be a compensative mechanism for the EU countries as it finances Regional Development Programmes (RDP) that prioritize the modernization of economic structures, the creation of sustainable jobs or the protection of those already existing, the promotion of innovation and research as well, and last but not least, the support of industrial and infrastructural investments.

At the same time, in the Treaty of Rome were included the social priorities, especially in regard to employment and the improvement of the living standards. In detail, the European Social Fund (ESF) was introduced as *"to improve employment opportunities for workers in the common market and to contribute thereby to the improvement of the standard of living"* (Treaty of Rome, Article 3(i) and 123). It was considered to be an instrument that would assist and compensate for the jobs that were lost as a result of the structural changes in the member state's economy. With concern for the increasing unemployment rates, the ESF also supported migrant workers and it focused on specific groups of people, such as youth unemployment. However, the focus of the ESF has changed over the years from responding to the unemployment to encouraging employment and thus from addressing social exclusion to ensuring social inclusion.

The following years, in order for the newly established regional policy to be effective, it was intended as additional to any national development funding, each member state to provide essential support to its disadvantaged regions. However, the effectiveness of the EU's policy so far tended to appear insufficiencies, a matter which made widespread the need for a stronger policy. The amendments were made by the Council through the re-

examination of the regulations which triggered the idea for reformation on the Concept of the Cohesion Policy and in 1979 the transformed regulations were approved (Council Regulation). In October 1981, the Commission brought over discussion a first part of the proposals for regional policy reforms and tried to obtain supervision of the emerging policy, while the Member States were willing to implement the funds following the national priorities. Moreover, the Commission proceeded on the initiation of the Integrated Development Programmes (IDPs) so as to bring together the application of the three available, at the time, funds (ERDF, ESF, and EAGGF) in the same region and to reach development cooperation in 1982. Eventually, in 1984 the regulations were agreed by the Council and they brought together several important changes.

With the entrance of Greece (1981) in the European context and the future accession of Spain and Portugal (Iberian Enlargement in 1986), the need for a reform of the policy was intensified. The enlargement of the Southern Europe signified the growth of the regional economic and social disparities, since the three countries were, by difference, less developed than the average of the EU member states. Additional to this, the increase of the population in the less-favored regions was inevitable and turned out to make the situation even more difficult. This led to the consideration that the allocation of the funds should be based on objective criteria that argued for the funds to be transferred to the European regions that need them most (Bachtler and Turok, 1997: 17). Consequently, in 1985 the creation of Integrated Mediterranean Programmes (IMPs) took place; an additional instrument which would compensate the Mediterranean regions for facing the great competition that occurred with the participation of Spain and Portugal. As Greece was put first on the list of the eligible countries for economic support, it was faced with extensive structural adjustment and turned out as the main beneficiary.

Moreover, the IMPs were designed to make a leap from individual projects to financing programmes that would be applied in an integrated way. Thus, the regional authorities in collaboration with the IMPs gained prominent role over the programmes in order to shape them according to the needs of their territory. What is more, the IMP's introduced principles such as additionality, concentration and partnership, and performances such as multiannual programming monitoring and evaluation, elements that have remained

important for the EU's Cohesion policy ever since. Last but not least, apart from the national actors, also supra and sub-national ones were involved in different stages of the planning and implementation of the IMPs, a fact that influenced the evolution of a multilevel governance system within the EU and the application of the Cohesion Policy more specifically.

#### 2.4 TOWARDS THE REFORM

According to Manzella and Mendez (2009), the procedure of the European Cohesion Policy reformation was based on the set of three sequential stages concerning “the legal basis for policy, its financing and regulatory framework”. In 1986, the Single European Act (SEA), which revised the Treaty of Rome in order to add new momentum to European integration and to complete the internal market, was adopted to open the path for the Cohesion Policy towards a new era, addressing the legal basis of the policy. Simultaneously, while the EU was preparing to complete a wholly integrated market by 1992, the Cohesion Policy took the form of political umbrella for the structural activities necessary to contribute to the market liberalization (Bache, 1998: 35).

Additionally, the Treaty granted a solid legal basis for the development of the Cohesion Policy and became the main tool to fulfill the EU's objective of “harmonious development” and promote the economic and social cohesion, particularly by narrowing the gaps between the regions and by supporting the less advantaged. Subsequently, these Treaty revisions signaled the “Europeanization” of the regional policy (Leonardi, 2005: 33).

Furthermore, the Single European Act grouped together for the first time the Structural Funds (European Regional Development Fund, European Social Fund and European Agricultural Guidance and Guarantee Fund), the key policy instruments through which the objective of economic and social cohesion would meet (Maastricht Treaty, Article 130b). Among the available instruments, the ERDF, whose task was redefined, “*intended to help redress the principal regional disparities in the Community by participating in the*

*development and structural adjustment of regions whose development is lagging behind and in the conversion of declining industrial regions” (Maastricht Treaty, Article 130c).*

#### 2.4.1 FIRST REFORM: 1988-1992 PROGRAMMING PERIOD

With the legal framework been settled, the first significant reform of the EU budget together with the general regulatory guidelines of the Cohesion Policy were agreed under the Delors (the President of the Commission at the time) 1st Package of February 1988, which would enable the EU to respond to the cohesion objectives and to proceed in the implementation of the SEA (Commission of the European Communities, 1987). Regarding the above targets, the need for additional resources was evident and regarding the aforesaid, the European Council took under consideration the Commission’s proposal to double the budget of the Structural Funds and accepted necessity of their reformation. Hence, this decision provided a major influx of finances and stability to the Structural Fund’s budget by increasing it twice as much as the initial was, over the programming period of 1989-1993 (European Council, 1987).

Consequently, in June 1988, a new structural fund regulation was agreed, including the key elements for the reform of the Structural Funds (Council of the European Communities, 1988), which is considered to be a landmark as it was the first to include the funds under a common policy umbrella. Additionally, the regulation was completed with the redefinition of the Structural Fund’s tasks and their effectiveness, plus with the organization of their cooperation between them and also with other financial instruments (Michie and Fitzgerald, 1997; Commission of the European Communities, 1988).

Apart from the increase in the Structural Fund’s budget, the reform also introduced a number of principles that characterize the Cohesion Policy’s performance and thus they continue to be its cornerstones, namely: *programming, concentration, additionality* and *partnership*. More specifically, the programming approximation is about altering from project-based support to multi-annual programmes that had duration of three to five years.

Even more, the principle of concentration deals with the aggregation of the available resources mainly to the least developed regions, on the least priorities and on a small amount of sectors. Furthermore, the organization of the finances would be managed through the interaction of the EU financial instruments and their combination with national incentives (Michie and Fitzgerald, 1997; Bachtler and Mendez, 2007).

As far as additionality is concerned, its concept supported the reform of the Structural Funds and guaranteed for their efficiency. Subsequently, the notion of additionality made certain that the EU funding would not be replaced by the national expenditure. Supplementary, both additionality and concentration are implemented in the poorer and most backward regions. With regard to the basic rules of partnership, they require the cooperation of national, sub-national and international agents in the design and application of the programmes.

In relation to the above, the regulation categorized the general contribution of the Structural Funds in five principal objectives and shared the assignments to the available financing tools considering their ability to serve each one of the objectives, either jointly or separately. Following, the table below demonstrates the objectives of the Structural Funds, the purpose of each one, as well as which of the Structural Funds finances them respectively.

**Table 1:** Programming period 1988-1993 - Cohesion Policy objectives

Five objectives	Purpose of the objectives	Funds
Objective 1	Promoting the development and structural adjustment of the regions that lagging behind	ERDF, ESF, EAGGF Guidance Section
Objective 2	Converting the regions, frontier regions or parts of regions (including employment areas and urban communities) seriously affected by industrial decline	ERDF, ESF
Objective 3	Combating long- term unemployment	ESF
Objective 4	Facilitating the occupational integration of young people	ESF
Objective 5	With a view to reform of the common agricultural policy : 1. Accelerating the adjustment of agricultural policy 2. Development of rural areas	1. EAGGF Guidance Section 2. EAGGF Guidance Section, ESF and ERDF

(Source: Christopoulou, I., 2011)

In other words, the 1988 reform introduced a strong regional focus (Bache, 2008: 48) which was mainly based on eligibility criteria and connections between funding instruments and objectives. A fundamental regional criterion was applied mostly in the case of Objective 1 meeting the requirement of the SEA, which gave priority to the regions that were lagging behind in development. Namely, a region classified at the NUTS 2 level, in order to be eligible for funding under Objective 1, its GDP per capita had to be less than 75 % of the EU average. The ERDF, being able to provide 80% of its appropriation to the Objective 1 region, supported investments in the productive sector, infrastructure development or modernization and improved use of each region's development potentials. Further, Objective 1 region in which the cost of projects is up to 75% could be financed by Structural Funds, while the community funding could reach up to 50% in other objectives. Objective 2 regions would also be financed by similar investments as the Objective 1. On the other hand, for Objective 3 and 4 regions, the eligible criteria focused mainly on the unemployed and young people, who would benefit from training and incentives for the creation of employment. These objectives would be financed only from the ESF (Michie and Fitzgerald, 1997).

One of the most important changes, of the 1988 reform, was the leap from supporting individual projects to co-financing programmes. Moreover, in Objective 1 regions, the Member States were responsible for presenting Regional Development Plans, where there would describe their priorities to be financed and approved by the Commission. Then, the plans would be developed into Community Support Frameworks (CSF) which would outline the European financial contribution to these priorities. Although, there was a specific part of contract clause which clarified that the Structural Funds were additional and complementary and would not replace the national investment programs. Following, the details of the measures to be co-financed by the EU were presented in the form of Operational Programs (OPs). What is more, practically the CSF was the result of the agreement between the Commission, the member states and regional authorities, implementing the partnership principle (Michie and Fitzgerald, 1997). The importance of

engaging the actors that are “most familiar with the problems and priorities of the targeted regions” is considered crucial for the policy’s successful implementation (Bache and Jones 2000, 1).

The changes introduced in 1988 revolutionized the application of the Structural Funds. The reform, as proposed by the Commission and accepted by the Member States, sought for the Cohesion Policy to have real impact (Bachtler and Michie 1993: 722).

#### *2.4.2 SECOND REFORM: 1993 - 1999 PROGRAMMING PERIOD*

In December 1991, the European Council’s meeting in Maastricht originated the second Structural Reform. The Maastricht Treaty, after establishing the European Union and leading the way to the Economic and Monetary Union (EMU), it emphasized the importance of the socio-economic cohesion as a basic component for the integration process. In addition, economic and social cohesion was listed as tangible and was separated from “a policy in the social sphere compromising a European Social Fund” (Maastricht Treaty, Article 3(i)). Through the Treaty provisions, it became clear that the ESF would specifically aim at labor mobility and was to be devoted mainly to employment priorities within the context of the EU social policy. It is worth mentioning, that after all this developments, the budget of the Structural Funds increased almost 3 times over the budget of the previous programming period (1989-1993).

According to Michie and Fitzgerald (1997) the main changes that took place on the second reform concerned eligibility criteria and administrative procedures. The Objective 1 regions for 1994-1999 were arranged in the 1994 Structural Fund Regulations while Objective 2 and 5b were selected on the basis of proposals made by the member States. What is more, the principles of partnership, additionality, concentration and programming of the 1988 Regulation continued to stand for the Regulations of the current programming period. In addition, a new Structural Fund was generated, that of Financial Instrument for Fisheries Guidance (FIFG) in order to promote variety in the fisheries sector. Some changes also were made on the Objective 3 and 4 regions serving

the occupation of young people and the enhancement of the workforce towards industrial change.

In the Treaty of Maastricht was provided a new financial instrument, the Cohesion Fund, to finance “projects in the fields of environment and trans- European networks in the area of important infrastructure” (Maastricht Treaty, Article 130b). It was established in 1993, as a specialized financial instrument for the countries whose GDP was less than 90% of the EU average (Council of the European Community, 1993b). These countries were Greece, Spain Portugal and Ireland and in order to be eligible for cohesion assistance, they were obligated to design a convergence programme that would evade government shortage.

At first, the Cohesion Fund even though it was listed under the social and economic cohesion, was not considered to be as one of the Structural Funds. This was due to the fact that, it was a national instrument, as the allocations of its budget were made on a national non regional level and plus the negotiations were mainly made among the Commission and the member states, excluding the regional authorities. Furthermore, it was designed to support large transport and environmental projects, rather than programmes. The recognition of the Cohesion Fund as one of the Structural was perceived with the 2006 regulation (Council of the European Union, 2006b) as the member states and most importantly the four cohesion countries have been faced with rigorous fiscal discipline, even after their accession to the EMU. Consequently, the Cohesion Fund’s purpose was to co-finance infrastructure projects in the poorer Member States and help them in achieving the EMU convergence criteria (Manzella and Mendez, 2009).

In view of financial perspective, the European Council agreed on the increase of the funding available for cohesion once again, with the application of the *Delors Package II* in 1992 for the second programming period (1993-1999). Over this programming period, 176 billion ECU were available to the cohesion policy, in comparison to 67 billion ECU available for the 1998-1992 programming period, and an amount of 15 billion ECU was



meant for the Cohesion Fund. Notably, it was obvious that from the first to the second programming period the budget of the Structural Funds was more than doubled (Bachtler and Michie, 1993, p.724).

Moreover, the regulation of 1993 was drafted in the first place, in order to serve the multi-annual programming period 1993-1999 (Council of the European Communities, 1993a) and thus it retained the key principles of the former programming period so as to incorporate some of the lessons learned (Bachtler and Michie, 1993). For example, regional development plans no longer had to be negotiated with the Commission, simplifying the structural programming processes (Hooghe and Marks, 2001: 96). Among the important revisions of the regulation was the expansion of the partnership principle to include the participation of socio-economic partners in all relative cooperation (Maastricht Treaty, Article 4). On the whole, emphasis was mostly given on the need to make the application of the structural funds “more effective, simpler and more transparent” (Maastricht Treaty, Preamble).

**Table 2:** Programming period 1993-1999 - Cohesion Policy objectives

Six objectives	Purpose of each Objective	Fund
Objective 1	Promoting the development and structural adjustment of the regions that lagging behind	ERDF,ESF,EAGGF Guidance Section , FIFG
Objective 2	Converting the regions, frontier regions or parts of regions seriously affected by industrial decline	ERDF,ESF
Objective 3	Combating long- term unemployment and facilitating the integration into the working life of young people and of those excluded from the labour market	ESF
Objective 4	Facilitating the adaptation of workers to industrial changes and changes in production systems	ESF
Objective 5 a	Speeding up the adjustment of agricultural structures in the framework of the reform of the CAP and facilitating the structural adjustment of the fisheries sector in the framework of the reform of the Common Fisheries Policy	ERDF,ESF,EAGGF Guidance Section , FIFG
Objective 5 b	Facilitating the development and structural adjustment of rural areas	ERDF,ESF,EAGGF Guidance Section , FIFG

Objective 6	Promoting the development of regions with an extremely low population density	ERDF, ESF, EAGGF Guidance Section, FIG
-------------	---	---

(Source: Christopoulou, I., 2011)

### 2.4.3 *THIRD REFORM: 2000 - 2006 PROGRAMING PERIOD*

The preparation of the 2000-2006 programming period constituted another milestone for the evolution of the Cohesion Policy. However, despite the fact that the legal basis of the policy remained the same, the context in which the policy was going to be applied was different. For this matter, there were two main reasons that called for necessary reforms in the Cohesion Policy, namely the EMU, which most of the participant states had joined or were about to join, and the enlargement of the EU with the accession of eastern countries (Begg, 1997).

Notwithstanding, it was not clear enough which of the countries would be included in the upcoming enlargement or where this extension of the EU borders would take place, even though the proposals over the needed reforms were discussed and agreed during enlargement negotiations. Evidently, in 2004 eight central and eastern European states (Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia), including Malta and Cyprus entered the European context, while Bulgaria and Romania joined in 2007.

Moreover, one more factor that accounted for direct changes in the framework of the policy was the economic climate, which also inherent the procedure. The increasing unemployment in addition to the pressure across the Europe, probably due to the introduction of the Euro, explains the difficult economic conditions along with the stability of the funding allocated to Cohesion Policy for the 2000-2006 programming period (Manzella and Mendez, 2009).

As a response to these challenges, the Commission proposed to the Lisbon Agenda 2000, a framework of reforms that would be implemented within the new financial perspective and which were subsequently approved by the Council in 1999 (European Council,

1999a). More specifically, the Agenda 2000 was aiming at increasing, in absolute terms, the budget of the 2000-2006 programming period (Leonardi, 2005).

However, concerns were rising about the future of the cohesion policy with regard to the desirable enlargement. For instance, the level of economic development of the ten accession Central and Eastern European (CEE) countries lay below the EU average. As convergence remained a prior purpose they would be eligible for cohesion funding, and it was expected that the structural funds would have to be redistributed to the East (Molle, 2007: 281). As a result, the 2000-2006 period was thought to be the last chance for the older regions to receive direct funds. What is more, the impact of the entry of those countries also inherent the development of the already lagging regions and as it was expected the EU average income would drop and the eligible countries before the enlargement would fall below the threshold for financial assistance. At the same time, Spain, Greece and Portugal wanted to make certain that they would continue to gain the lion's share of the additional funding resources.

For this programming period, 2000-2006, the eligibility criteria concentrated around three main objectives, in comparison to the previous period where there were six of them. These objectives constituted a strengthening of the territorial and regional perspective and retained their attention to the regions lagging behind in development. These regions whose GDP per capita did not overcome 75% of the EU budget qualified for this objective, which had been allocated close to 70% of the structural funds budget. At this point, it should be noted that Objective 6 regions became eligible for Objective 1 funding and the new Objective 2 brought together industrial and rural regions facing industrial difficulties while Objective 3 were dedicated to employment, education and training, financed by the ESF. A reduction also is noted at the Community initiative, from thirteen to four (INTERREG, EQAL, LEADER and Urban) with a significant cut of their budgetary allocation.

**Table 3:** Programming period 2000 -2006 - Cohesion Policy objectives

Three objectives	Purpose of each Objective	Fund
Objective 1	Promoting the development and structural adjustment of regions whose development is lagging behind	ERDF, ESF, EAGGF Guidance Section, FIG
Objective 2	Supporting the economic and social conversion of areas facing structural difficulties	ERDF, ESF
Objective 3	Supporting adaptation and modernization of policies and systems of education, training and employment	ESF

(Source: Christopoulou, I., 2011)

The 2000-2006 programming period introduced several provisions that were aiming at the improvement of the effective implementation of the funds (Council of the European Union, 1999b). The regulation described in detail the responsibilities both of Member States and Commission in monitoring and controlling the funds. Sutcliffe (2000) underlines the important roles that member states, and in particular their central governments, were assigned and the policy's multi- governance character as well. Moreover, the evaluation process of the funds was taken under consideration and more responsibility was given to the member states for *ex-ante* evaluation compared to the former programming periods, introducing a *mid-term* evaluation while the *ex-post* evaluation became a major responsibility of the Commission.

Finally, this programming period focused its attention at the simplification of programming and implementation, mostly by making the content of the programmes less detailed. It is worth to mention, that at this programming period financial management and control were made stricter with the introduction of the *n+2 rule* which required the funding to be spent within two years and also through a closer enforcement by the Commission, on its supervisory responsibilities during this period (Davies et al, 2008).

#### 2.4.4 *FORTH REFORM: 2007 - 2013 PROGRAMMING PERIOD*

The latest programming period of the 2007-2013 was set in a completely different context than the previous programming periods. For the current programming period, the economic and social cohesion of the EU has a budget of almost €350 billion which respectively represents the 35 % of the total EU budget. It is basically characterized by a mix of political, economic and financial considerations, which played a crucial part to the shape and content of the policy and practically aiming at the modernization of the policy. The EMU had already been launched and the Euro had become the EU's common currency. Another important development was the first eastern enlargement of the EU with the incorporation of 10 new member states, with distinctively lower levels of income. Thus, soon Bulgaria and Romania were about to become the newly EU members states, causing inevitably the increase of regional disparities. Following, through the Lisbon Strategy which was formally activated in 2000, the EU was committed to become a great economic power and a strong competitor in the world by 2010 setting the stage for additional reform of the Structural Funds. More specifically, the main instruments for the policy implementation were the two Structural Funds: ERDF and the ESF, and the Cohesion Fund which was for the first time included as a tool of the Cohesion Policy accounting for almost the 20% of the Structural Funds budget.

The revised regulation further outlined the objectives of the Structural Funds and the eligibility criteria that would guide the new funding cycle. The significant difference in the funding objectives under the regulation was that the former Objectives 1, 2 and 3 were replaced by other three main objectives (European Commission, 2004b). These objectives are: a) Convergence : 251 billion Euro-81.5% of the funding should be distributed to the new Objective 1, to promote growth and employment to the poorest countries and region) , b) Regional Competitiveness: Objectives 2 and 3 were replaced now by the new Objective 2 accounting for 16% (49 billion Euro) of the funding and certifies that more advantaged countries will continue to receive financial aid for education, training, social inclusion, knowledge and environment protection, and c)

Employment and Territorial Cooperation: 2,5% (8 billion) of the funding should secure territorial cooperation (Breuss et al.,2004). Additionally, the regions whose GDP per capita was lower than 75% of the EU25 average qualified for funding under the Convergence Objective through the Regional Development Fund and the Social Fund. Plus, the regions whose Gross National Income (GNI) per capita was not higher than 90% of the EU average were also included in the funding category, eligible for support via the Cohesion Fund.

**Table 4: Programming period 2007 -2013 - Cohesion Policy objectives**

Three objectives	Purpose of each Objective	Fund
Convergence Objective	Speeding up the convergence of the least development member states and regions by improving conditions of growth and employment	ERDF,ESF, Cohesion Fund
Regional Competitiveness and Employment Objective	(Outside the least developed regions) strengthening regions' competitiveness and attractiveness as well as employment by anticipating economic and social changes, including those linked to the opening of trade	ERDF and ESF
European Territorial Cooperation Objective	Strengthening cross-border, transnational and interregional cooperation	ERDF

(Source: Christopoulou, I., 2011)

Ultimately, even though there were regions that were not qualifying for convergence assistance, undoubtedly all regions were eligible for funding under the competitiveness and employment objective, which brought together previous Objective 2 and 3, as were the regions that had been in transition during the previous programming period. The Regional Competitiveness Objective has allocated slightly more than 15% of the Cohesion Policy's budget (Maastricht Treaty, Article 20). In addition, the Objective of Territorial Cooperation focused mainly on the funding of those regions that are on the borders of member states in an effort to promote cross-border cooperation based on the INTERREG community initiative of the previous programming period. Notably, the funding of Territorial Cooperation was amount to less than 3% of the Structural Funds

budget and was additional to the funding for the regions that were supported by the other two financial instruments.

In order to become more strategic and less complicated the regulation introduced several changes, while maintaining the key principles of the Cohesion Policy. At the same time, ought to the fact that Commission had to come across many difficulties, arising from a wide variety of funding programmes in 27 member states, responsibilities were transferred at the national level, with the Commission retaining an oversight role.

Further, the key principles of the Cohesion policy remained the same, however, the partnership principle was broadened to include among the partners involved in all programming stages “any other appropriate body representing civil society, environmental partners, non-governmental organizations, and bodies responsible for promoting equality between men and women” (Maastricht Treaty, Article 11). Additionally, significant changes were also introduced in the programming and management of the Structural Funds. Former development plans, community support frameworks, and programming supplements were replaced by National Strategic Reference Frameworks (NSRFs).

This new strategic document, which was negotiated among the Commission and the member state in accordance to the partnership principle, would determine the priorities of the new funding cycle. Moreover, in order to facilitate the application of the funds across the EU, NSRFs were to be developed based on the common strategic guidelines (Council of the European Union, 2006a). The guidelines attempted to balance the traditional focus of the structural funds, reinforced by the Lisbon strategy, on growth and employment and the territorial cohesion. Specifically, the guidelines identified three funding priorities: improvement of the attractiveness and accessibility of member states and regions, innovation & entrepreneurship, growth of the knowledge and creation of more and better jobs.

As in earlier programming periods, more detailed funding priorities were included in the Operational Programmes, which were required to provide funding priorities and only an indicative list of large projects. An important change was introduced in the new regulation, namely the fact that each Operational Programme can be financed only from one fund, in an effort to administrate better the use of the funds. The exception to this is made for the convergence regions, in which joint assistance with the Cohesion Fund is permitted (Maastricht Treaty, Articles 32 and 33).

## 2.5 CONCLUDING REMARKS

In few words, the purpose of the Structural Funds is to promote economic and social cohesion within the European Union and more specifically to reduce disparities within and among the Member States. Moreover, successive enlargements and the integration process itself increased the importance of this objective. The development of the Structural Funds constitutes part of the unfolding extent of the European Policy's manufacture and the varying dynamics of the relationship of the between the European Institutions and the Member States. From being instruments that did not have a clear legal basis in 1957, today the structural funds account for close to 40% of the EU budget. Even though, the absolute size of the contribution is small, Cohesion Policy is possible to create the development path that the less advantaged regions will follow. In addition to this, the concept of "Europe of the Regions" was promoted and at the same time argued as an issue, at a great extent. Finally, the tendency towards regionalism completes the trend of globalization, the creation of uniformity of the regions and the accelerated pace of the integration process in Europe.



### **CHAPTER 3: COHESION POLICY IN GREECE**

The previous chapter provided an overview of the evolution of the EU Cohesion Policy. Its main instruments were highlighted, known as the Structural Funds, and emphasis was given to the significant role of the policy. Thus, an extensive description was made on the reformation of the Structural Funds during the three programming periods and considerable attention was given on how the structural funds regulations have been adapted to the EU's commitments on sustainable development. To further extent, a short argument was made as well, on the absorption capacity of the regions and its vital importance for their further development and growth. An examination of the case of the application of the EU funds in Greece, a country whose entry into the EU in the 1980s influenced the evolution of the cohesion policy and that has a long experience as a beneficiary, will be the main discussion of this chapter. Before proceeding with the analysis of the case, a brief historical background on Greece is provided as a base for evaluating the influence of the EU Structural Funds. This background provides the frameworks in which the structural funds have been applied.

#### **3.1 GREECE- A HISTORICAL OVERVIEW**

The Regional Economic Policy or as it has prevailed Regional Policy, constitutes a basic development policy of the modern states. More specifically, after the vast economic crisis of the period 1929-33, but mainly after the two World Wars, the expression of the economic issues at a spatial level was a subject of interest not only in the theoretical research but also in the economic policies worldwide.

Especially, the economic consequences of the World War I, and most importantly the crisis of 1929, constituted a motivation for the urgent confrontation of the issues concerning the effectiveness of the market and prices mechanism, and the achievement of the balance inside the economic systems, so as the economic relations to be coordinated. In this way, as much in Western Europe and America, as in the modern Soviet Union, there have been applied different forms of state interventions for the assistance of lagging

regions and the organization of the cities that were unable to overcome the painful impact of the crisis. So, the systematic establishment of the Regional Policy started after the World War II (Papadaskalopoulos and Christoforakis, 2005).

Over the recent years Greece has made significant effort to adhere to the Maastricht Treaty criteria in order to become a member of the Economic and Monetary Union and a participant in the Euro zone. Greece emerged from World War II as a devastated, poor, agrarian country. By the time it began to be ethnically homogeneous, ideological and domestic political controversies led to Civil War and a long period of political instability followed. The immediate post-war period ended when a Regime of Colonels remained in power for a period of seven years. Democracy returned to Greece in 1974, opening the way for the Third Hellenic Republic. During the early years following World War II, the country's political orientation had not been settled. Only after the end of the Civil War and with American intervention was the country's western orientation confirmed. Greece joined coalitions of European and western states, becoming an original member of the Organization for European Economic Cooperation (EEC) in 1948 and joined the Council of Europe after a few months following its foundation in August 1949 and the North Atlantic Treaty Organization (NATO) a few years later.

At the same time, Greece submitted an application for association with the EEC in 1959, two years after the signing of the Treaty of Rome. The signing of the association agreement, in 1961, confirmed that Greece's economy would be linked to a capitalist rather than socialist system (Close 2002, p. 136). While NATO could be counted on to provide national security, contribution of American assistance and access to the European markets were perceived as the means which would support the national economy. Moreover, a consistent need for economic development seemed to generate concerns for the national economy. It should be remembered that even before the war, Greece had not gone through industrialization similar to that of other western countries. Although, there were some industries that had been established, they were not capable of reviving the national economy without any further support. Consequently, great efforts were made on the agriculture and extractive sectors, while new sectors such as tourism and light

industry, as well as shipping, slowly began to show signs of growth. However, despite the encouraging results and the noticeable growth rates, the Greek economy remained weak.

By the time the World War I passed, policies were designed in such a way that the country's capital (Athens) became the center of employment opportunities and the destination of thousands of rural individuals, and transformed Greece from a rural economy to a developing industrialized country. The expansion of the urban center was suspended during the World War's and Civil War's years, only to become suddenly intense again in the 1950s. During the 1960s, the population of greater Athens grew by almost 40%, while the 1970s show an additional population growth of 10% (Clogg 2002, 146).

The first attempts to promote regional development around the country took place during the immediate post-war period in the 1950s (Konsolas et al, 2002; p.1). Following, regional planning, through which the direct investments would be promoted to other parts of the country, led to a further concentration of economic activity in and around Athens. Somehow, it is made distinct that from the few regional and development plans which managed to be applied most of them were scarcely total implemented. According to Tsoulouvis (1987), on the contrary they were guides for construction projects and never in a positive sense.

The impact of this policy on the Greek economy can not be underestimated. In fact, it set in motion the construction sector. Between 1961 and 1980, about 65% of investment was in construction, with housing accounting for 40% of the gross total private investment (Clogg 2002, p. 146; Wassenhoven 1984, p. 19). Although the chosen policy provided a solution to a pressing situation, the unplanned way in which Athens developed, an example followed by smaller cities around the country, and the absence of a national regional development plan, have had lasting impacts on the future development of Greece.

In the years following World War II and before joining the European project, Greece was still in between being a developing and developed country. Consequently, the construction sector has been integrated into the political system, both at the local and the central levels of government (Close 2002, 52;92). However, due to the fact that the country was always eligible for funding, many promises remained unfulfilled and the actual demand for basic infrastructure that the country needed could not be easily met. Even more, while the living standards were rising and signs of regional convergence within Greece was noted, the country continued facing significant social and regional inequalities (Giannias, Liargovas and Manolas, 1997).

### 3.2 COHESION POLICY IN GREECE

After the devastating consequences that the Second World War brought at the doorstep of the Europe, Greece put efforts to follow the same course that the other European Countries followed through the establishment of Regional Policy. The regional planning started gradually after the World War II, almost at the same time that the set of development planning at national level did and was accompanied with the amplification of several statutes on the regional growth (Papadaskalopoulos and Christoforakis, 2005).

The two basic elements of Greek economic planning have been national growth and centralism. At this point, regional policy was considered to be a mainspring for the preservation of high growth rates. During the 1970s, Greek policymakers developed progressively a regional policy approach focusing on public investment projects and various regional strategic plans. Therefore, the development plans kept an indicative character and tend to deviate from their regional target (Andrikopoulou and Kafkalas 2004, pp. 37– 38). The first regional development plan in the Greek history was proceed a little earlier from its accession (1980) and in order for the country to overcome the danger of not receiving assistance from the European Regional Development Fund (ERDF). It was not until then that the involvement of the EU to the establishment of the development policy in Greece became evident through the creation of the Integrated

Mediterranean Programmes (IMPs). The IMPs introduced the new concepts of subsidiarity and partnership that had some interesting implications for the territorial organization of the Greek state.

More significantly, the Greek package of IMPs was passed in 1985 and their implementation started in 1986. Their function lasted for several years and covered a seven year period, until the end of 1992 (Andrikopoulou, 1995). The triggering fact for the adoption of this activity was the prominent accession of the Spain and Portugal along with the expression of the opposition of other Mediterranean countries and especially from the Greek side, forcing for the formation of the Mediterranean policy of the Community (Andrikopoulou, 1995; Maravegias, 1991: 201-206). The general aim of the IMPs was to build up the economies of the Mediterranean regions in order to overcome the rising competition, originating from the participation of Spain and Portugal and they introduced a concept of subsidiarity and partnership, which had important meaning for the territorial organization of the Greek state (Andreou, 2006; Plaskovitis, 2006), in his research on the evolution of the regional policy objectives for Greece, parallels the IMPs as the “development axes” which contain a group of measures that adhere to a specific sector of area. The Greek IMPs are divided in two categories relative to the development axes chosen, the Mainland programmes (Northern, East, Central and Western Greece and Peloponnesus) and those for Attica region, the Aegean islands and Crete. Additionally, they constitute the first solidarity programmes and a general experiment of the new policy which was institutionalized after the Single European Act and the reformation of the Structural Funds (Andrikopoulou, 1995). In other words, the IMPs acted as a guideline for what would follow and to simplify the notion, they constituted series of ongoing compulsory planning frameworks and Operational Programmes(OPs)<sup>1</sup>, stemming from the revision of the Community structural policy after the 1988 (Plaskovitis, 2006)

---

<sup>1</sup> Operational programme: A programme which includes an integrated sequence of priorities, operational objectives, measures, a specific time schedule, secured financial means, a distinctive programme management system and consultation and evaluation procedures. For a more detailed analysis on the operational programmes see Plaskovitis (2006), p.1

Considerably, the introduction of the IMPs in 1986 brought a significant change in the nature of regional policy in Greece. Up until then the regional planning had an indicative character. For the first time, both central and local planning was challenged with the task to turn undefined goals to specific operational objectives. In detail, measures should be designed in accordance with the project level so as to achieve such objectives and the time limit for the implementation of the measures was a prerequisite for the absorption of financial resources certified from the Community and national budget (Plaskovitis, 2006).

### 3.3 THE COMMUNITY SUPPORT FRAMEWORKS (CSFS)

The 1988 constituted a challenging year for Greece's administrative system as the reformation of the Structural Funds took place. Meanwhile, the agreement that the EU funds would not finance individual projects, proposed by member states, was sealed. Instead, the EU would only co-finance programmes. The 1988 aforementioned reform introduced a strong regional focus (Bache 2008, p.41). A regional criterion was applied mostly in the case of Objective 1 meeting the requirement of the Single European Act, which prioritized the need to support the regions that were lagging behind in development. For a region, classified at the NUTS 2<sup>2</sup> level (to be eligible for funding under Objective 1), its GDP per capita had to be less than 75% of the Community's average. Member states, in Objective 1 regions, were required to present Regional Development Plans, which would outline their priorities to be financed. The plans were then to be developed into Community Support Frameworks (CSFs) which would outline the European contribution to these priorities. Noteworthy, the provision clarified that structural funds were additional and complementary and would not substitute national

---

<sup>2</sup> For statistical purposes the territory of the EU is classified under three levels of geographical subdivisions, called NUTS (Nomenclature of territorial units for statistics). A region falls under the NUTS 2 level. Actually, it is with Regulation 2052/88 that the NUTS classification is used by the EU for the first time. For practical purposes and in order to facilitate the implementation of regional policy, the classification is largely based on institutional subdivisions already existent in each member state (**Eurostat 1999**).

investment programmes; additionally, the details of the measures to be co-financed by the EU were listed in Operational Programmes (OP). In other words, the CSF was the product of the agreement of the Commission, the Member States, and the regional authorities, implementing the partnership principle. The importance of engaging the actors that are “most familiar with the problems and priorities of the targeted regions” is considered critical for the policy’s successful implementation (Bache and Jones 2000, p.1).

It is valuable to mention that, the adoption of the CSFs in the Greek community, occurred ought to the expansion of the regional disparities that emerged with the accession of Greece, in 1981 and Spain and Portugal, in 1986, in the European Community. Consequently, the CSFs were considered to be financial tools for the improvement of the socio-economic cohesion and a contributive mechanism to the economic growth of Greece. Specifically, the role of the CSFs was to surpass the structural deficiencies of the country through the enchantment of the productive sector, the limitation of competitiveness, the approach of sufficient investments and the adoption of new technological systems (Sotiriou and Tsiapa, 2015).

There are three main periods during which the Community Support Frameworks took place. The first CSF covered the period 1989-1993, the second CSF the period 1994-1999 and the third the period 2000-2006. Even more, it should be noted that these planning frameworks contributed to the creation of 39 regional Operational Programmes (for the 13 regions in the Greek territory that exists, each one was covered by a separate programme for each of the above three periods). Additionally, in the case of Greece the CSFs included also several Sectoral Programmes, which allocated the majority of the financial resources that were available, but still some of them such as the ones concerning tourism, environment or even transport infrastructure, had bad consequences in regional level (Plaskovitis, 2006).

### 3.3.1 *FIRST COMMUNITY SUPPORT FRAMEWORK (1989-1993)*

The last decades, our country, Greece, has been making great efforts in overcoming the development issues of its lagging regions and in reducing the rising gap with the rest of the European regions. With regard to this matter, several strategic decisions were adjusted to the special needs of the territorial units, also to each of the social preferences and to the general socio-economic environment of the country.

Significantly, the first Community Support Framework (CSF) for Greece was implemented during the period 1989-1993 and was officially completed after a delay of one year, in 1994. It is worth mentioning, that the problems on the case of Greece, extended beyond those of timing as the road towards the implementation to the regional Policy and growth was not easy at any level, leaving behind some unpleasant results.

By the time the Community Support Frameworks was established, the Greek government and administration came up with requirements that were beyond their abilities to manage. First of all, the Ministry of Economics was poor in human resources and lacked appropriate horizontal units in order to produce meaningful proposals. What is more, competence - sharing was also limited and the decision - making was kept within the political offices and as a consequence there was mere development strategy on the provisional version of the Regional Development Plan (RDP) which was drafted to the Commission by the Greek government (Andreou 2006: 249 ; Ioannou 2001: 238). Additionally, the input of the subnational actors was insufficient as the attention was put on the sectoral development and the proposals submitted by the 13 regions were poor in quality too (Andreou 2006: 249, Ioakimidis, 1996). One can say that during this process it was clear the fact that between the government and its decentralized services there were slightly signs of cooperation. Further, what seemed to make the matters worse was the change of the country's government in 1990; Greece had to deliver the biggest developmental plan of its history but with a significant delay, owing to the poor structures and the new political leadership which remained neutral on participating in the programming stage.



Additionally, during 1989 to 1993, the financial weight of the programmes that were also supported by the EU, had reached unpleasant levels 15.4 billion ECU (European Currency Unit, in 1994 prices), considering that these funds were managed by the central government and administration. In the basic priorities were also included the creation of basic infrastructure (37.4%), the productive sector - including the agricultural sector - (14.1%) and the development of human resources (7.5%) (Andreou, 2006:3).

As the regional policy in Greece became a national development policy, its monitoring was undertaken by a committee which was responsible for the CSF as a whole (12 sectoral and 13 regional Operational Programmes (OPs)). This Monitoring Committee (MC) was composed by national administrators or regional and prefecture officials, Commission officials and representatives of the Ministry of Economics (ME) and other relevant social partners. Further more, the ME had the overall responsibility for the CSF and was keeping contact with the Commission services continuously, following its first priority policy, to increase the absorption of the funds to the maximum. Still, the regional authorities were not capable of performing their tasks and relied on the ministries which on their turn were inefficient as well.

Generally speaking, the effectiveness of the first CSF was limited. First of all, the rate of the OPs' internal cohesion was low, while the hierarchy of priorities did not always correspond to the allocation of expenditure, whilst some important changes had to be made during the implementation period in order to facilitate the absorption of resources. As far as the policy over the infrastructure is concerned, it was dominated by local road network construction irrigation works, small urban interventions and sewage systems (Konsolas et al 2002: 6). What is more, the public intervention for the productive sector was monopolized by investment schemes that lacked clear operational goals and failed to improve planned investments because of the weak investment climate. On the other hand, in the section of human resources and employment, several numerous training measures were taken but unfortunately there is no significant evidence for the improvement of the trained personnel in the labour market (Tondl 1998: 117).

In simple words, the implementation of the first CSF was left almost entirely under the management of the several administrative mechanisms, of the system that was on the lead beforehand. What is more, the national efforts depended mainly on the accumulation of the absorption rates, though the issue of the implementation effectiveness was rarely addressed (Andreou, 2006). However, the Regional Operational Programs had the biggest part in the allocation of funds for the first CSF: their initial share was 40.9% and their actual share grew to 50.3% because of transfers of funds from “insufficiently implemented programs” (Commission of the European Communities 1994: 18). This, according to Professor Petrakos and Psycharis (2004), happened due to the fact that the transfers were not dedicated to regional development as such, but they financed not extensive interventions so as to maximize absorption. However, from 1989 to 1993, Greece still experienced a substantial increase in regional disparities in terms of GDP per head (Commission 1997: 135).

Professor Economou D. (1997) in his research over the impact of the first CSF in Greece noted that the justification of for the existence of the Objective 1 CSFs is to promote the economic development of the less developed regions (those with GDP per head of the 75% of the community average). Nevertheless, he addresses the fact that the financial aid transferred through the first CSF (1989-93) to the Greek regions was inadequate to limit the development gap. Moreover, it was also observed that inter alia the location of the geopolitical difficulties of the Greek region, the reduction of the social cost and the low rates of unemployment were conductive actors to the poor performance of the Greek economy.

Consequently, there were crucial flaws in the implementation of process that explain the low economic efficiency and effectiveness mentioned above. In detail, the operational programmes constituting the CSF, essentially they were giving the perception of unlinked projects with low degree of synergy and cohesion. Thus, in the case of Greece major importance was given to small programmes with cause effect in the allocation of the available resources, separated in several less important projects and among many sectors, a fact that reveals the lack of well defined priorities. Noteworthy, many projects remained

unfinished after the end of the first CSF as the budget was inadequate and there were slightly economic or functioning results. All the above suggest that in the case of our country, Greece, the misapplication of the financial aid constituted an independent factor in the consecutive divergence of Greece from the EU average, in key indicators. Surplus, the difficulties that the peripheral countries were opposed to and the inter-regional competition between the Objective 1 regions can not be taken into consideration for the constant poor performance of Greece. Finally, as Greece appears to be incapable of managing the Community resources, it seems that it might be confronted to the possible danger of being marginalized within the periphery. In this sense, all the above proclaim that the first Greek CSF was nothing but a vast failure (Economou, 1997).

It is worth, at this point, to mention that Professor Economou (1997) also underlines two facts regarding Greece “a) during the programming period 1989-1993, the impact of the CSF on the growth of GDP tended to be weaker than in the remaining member states and b) there was a lack of dynamism in the Greek regions not only in comparison to the north but to the rest of the south as well”. Thus, a remarkable estimate was that despite the considerable increase in the available funds the impact was less than the corresponding average effect of the first CSF on the Objective 1 countries, while, Capros and Karadeloglou (1989) measures the effects of the first CSF for Greece and agree on the condition that the output increase is lower than the one for the rest of the EU countries and as a result the existing disparities in growth patterns would deteriorate. On the other hand, Beutel (1993) in his research indicates that the application of the first CSF brought significant growth and promoted cohesion among the member states.

Essentially, there are several similar and opposite aspects on the matter of the effective impact of the first CSF on the economic growth of the Greek regions. Therefore, the transition to the next programming period was inevitable as the completion of unfinished tasks from the former one, should be carried through.

### 3.3.2 *SECOND COMMUNITY SUPPORT FRAMEWORK (1994-1999)*

In September 1993, the Greek Government submitted to the Commission a revised Regional Development Plan (RDP), which included the negotiations between the two factors and would constitute the basis for the launch of the second Community Support Framework (CSF II or else Delors' II Package) for the period 1994-1999, which would be more extensive in actions and more influential than the First CSF, implemented in 1989-1993. The current RDP was finally approved in July 1994 and this time it was the outcome of a more cooperative process. The purpose of the RDP was to adjust the Greek economy to a sustainable development course and at the same time to achieve convergence among the other European economies in the road for Economic and Monetary Union. The Plan had the qualification to identify the major issues of the economy such as insufficient capital formation, inadequate training of the labour force in new technologies and lack of growth (Christoulakis and Kalyvitis, 1998: 57; Andreou, 2006b:249).

In order to confront the aforementioned issues, the Plan aimed at the increase of the provision and the quality of infrastructures. Another efficient solution was to support the formation of the fixed capital and to boost the competitiveness on the production sectors. The improvement of education and the patterns of specialized training along with the modernization of the civil services and finally the promotion of regional development were complementary steps for mending the unpleasant rising problems (Christoulakis and Kalyvitis, 1998, p. 59).

For the programming period of 1994-1999, the EU financial aid for Greece in the name of cohesion was twice as much as it was the former period, 1989-1993. As a consequence, the EU co-financed programs reached the amount of 34.76 billion ECU (in 1994 prices). At this time, there were 16 sectoral and 13 regional Operational Programmes (European Enterprise Organization (EEO, 2003:107).

Supplementary, the CSF II was structured by five development axes, necessary for the integration of its central aim, to treat the less advantage regions and to reduce the development gap between them. On the top of the priorities was the *reduction of the regional isolation* through the promotion of the domestic integration by large –scale infrastructure and the cohesion of diversified geographical areas in the Greek region. Secondly, the *improvement of the quality of life* constituted a predominant intervention, involving Urban Development, Health and welfare, and Environment. *Growth and competitiveness* was a main thrust of the CSF programme which focused on the improvement of the competitiveness mostly of the production sector and on strengthening the Greek industry by supporting new competitive firms and promoting industrial infrastructure and finally by boosting competitiveness of the small and medium size industries. Additionally, the forth axis faced the *up scaling of human capital and promotion of employment*. The 11% of the CSF II resources for Greece assigned for raising the effectiveness of the education system, finance training courses and reeducating the employees into new skill and technologies, and last but not least it applied effective policies to control the long term unemployment and social exclusion. The final axis regarded the *decrease of the regional inequalities and isolation* through 13 Regional Plans, each one of them included several interventions concerning the local infrastructure, the agriculture, the SME's, the protection of the environment and improvement of socioeconomic conditions in the area (Christoulakis and Kalyvitis 1998, p. 60-63).

Notwithstanding, the second CSF was composed by 31 OPs, from which 17 concerned certain sectors of intervention, 13 were related to particular geographical territories and one involved the Technical Assistance. However, the lion's share form the funding had the infrastructure (27.8% of the total budget), second and third in the row was the competitiveness and the reduction of the regional disparities, respectively by having equal share of 25% each. Human resources and living conditions were last with smaller shares (12.5% and 9%, respectively) (Andreou, 2006b).

Further, despite the fact that the Commission was not satisfied with the domestic regime and after constant pressure for the creation of structures as independent as possible from conventional public administration, it was apparent that this first step was effective with the agreement of the government, in spite of the resistance from certain ministries, government employees, administrative and management institutions<sup>3</sup> (Ioannou 2001:258-269).

Additionally, it is worth mentioning that the partnership between Greece and Commission was a benchmark for the Europeanization of national development policy. Simultaneously, the reproduction of communication channels between subnational and supranational actors contributed to the creation of multi-level policy networks. Moreover, one can say that the application of the partnership principle during the 90's has altered 'the major objectives of the regional policy from democratic participation to managerial efficiency' (Andreou, 2006b).

In all, it is evident that Greece confronted with the absorption challenge, and that at least financially, the influence of the second CSF has been a positive one. Indeed, since the mid-90's, the output growth has reached significant levels, exceeding by far the EU average. On the other hand, the labour productivity had primary role to this performance, benefited by the fundamental EU income transfers. On their turn, these transfers have helped the investments to be kept steadily at a higher level in comparison to the previous years and at much more substantial levels than in the residual countries (EEO, 2003: 13).

---

<sup>3</sup> The administrative and management institutions established were the Management Organization Unit (MOD) –a semi-independent body operating under private that was law responsible for the supply of advice, administrative tools and know-how to the monitoring authorities and the implementation agencies-, a specialized agency for the attraction of private investment (ELKE), the Joint Steering Committee for public Works (MEK) and the Expert Agent for the Sampled Quality Control of Infrastructure Projects (ESPEL). Moreover, a number of semi-independent companies were set up in for the management of big infrastructure projects according to the Public Private Partnership (PPP) model.

### 3.3.3 THIRD COMMUNITY SUPPORT FRAMEWORK (2000-2006)

On 29<sup>th</sup> September 1999, the Greek authorities presented to the EU the third Community Support Framework 2000-2006 (also known as 3<sup>rd</sup> CSF), which was agreed and adopted by both the Greek Government and the Commission as regards Objective 1 assistance to the Greek regions for the period 2000-2006<sup>4</sup>. Even more, it was based on the National Development Plan and was finally submitted to the Commission in the second half of 1999. Thus, it lasted seven years and was considered to be by far the largest and most important development plan ever being implemented in Greece. Finally, the 3rd CSF was approved in July 2000 and signed in November 2000 (3rd CSF.com) but owing to the delay of the administrative procedures, its application started on the second half of 2001. (Andreou, 2006a:6).

From now on the new European regulatory framework becomes more binding. The new Structural Fund's regulations include a new partnership framework between Greece and the European Committee and the EU starts to break off its bonds from the programming procedures and the project selection. The enhancement of the audit role, the possible severe penalties that could be imposed in combination with the responsibility of the member state to follow specific orders and directions so as to avoid exceeding the time limit for the use of the funds, are the highlights of the new regulations.

For the achievement of the goals of the third CSF, there were designed and implemented 25 Operational Programmes, of which the 11 were Sectoral *Operational Programmes* and concerned the national sectoral policies, while the 13 were *Regional Operational Programmes (ROPs)*, one for each region of the country. The share of the ROPs allocated almost the 1/3 of the available appropriations for the Structural Funds for 2000-2006 period and remained virtually unchanged (25.8%, as opposed to 25.1% in the second CSF) (Andreou, 2006a). Still, there was one more Operational Programme, the *Technical Assistance* which aimed at empowering, supporting and improving the management

---

<sup>4</sup> [http://www.3kps.gr/Page\\_2\\_en.htm](http://www.3kps.gr/Page_2_en.htm)

system, monitoring and controlling of the Community Support Framework and the Operational Programmes.

Further down, concerning the financial resources of the third Greek CSF and the Cohesion Fund they are estimated to be €48.30 billion. Thus, the total Public Expenditure's are €37.67 billion and the estimated Private Participation is €10.63 billion. In addition, the significant resources are pumped through four Community Initiatives, the total public expenditure of which amounts to 1.28 billion Euros (of which the Community contribution is 904 million Euros) for the programming period 2000-2006<sup>5</sup>.

The Regional Policy of Greece for the programming period 2000-2006, as it was presented by the Greek authorities and as it was imprinted in the CSF III, was divided into seven priority axes (MNE, 2000) which are: 1. *Development of Human Resources*, 2. *Basic infrastructure*, 3 *Competitiveness*, 4. *Rural development and fisheries*, 5. *Improving the quality of life*, 6. *Information Society* and 7. *Regional Development* (MNE, 2000).

At this point, it is noticeable that the priority axis of 'Regional Development' adheres clearly to the purpose of reducing the interregional inequalities in the Greek country. According to the RDP, this axis would absorb the 30% of the total CSF's finances. However, the efficacy of the third CSF in the Greek regions is not only restricted to that of the 13 ROPs. On the other hand, the Regional Development axis funds are distributed through these 13 Regional Operational Programmes (Economou, 2004; Papadaskalopoulos and Christoforakis, 2005).

With regard to the other priority axes, a significant amount of the funding was offered to the infrastructure (56.5% of the total budget for the period 2000-2006). Following, a great proportion has gone to the investment in the productive environment and more specifically to the private sector (21.9%) and for actions in human resources (19%) (MEF, 2005:16). In sum, the third CSF shed lights on the infrastructure and gives less importance to the human resources and especially to the productive environment (EEO 2003: 16-17)

---

<sup>5</sup> <http://www.hellaskps.gr/2000-2006.htm>



In December 2000, as the Greek government established the institutional framework according to the principles, the body responsible for the overall management of the CSF was defined to be the Managing Authority, as it was also in the two former CSFs. Each OP is managed by a Managing Authority (MA) belonging to the relevant ministry or region and all MAs are organized in an identical manner. What is more, the MAs also took over the supporting institutions that have been founded in the previous programming period. Significantly important as well, tended to be the participation of the private sector in the co-financing of the CSF project (Andreou, 2006b).

In a few words, the present Community Support Framework has been set inside older structures and practices. However, a decline in the absorption rates was noticeable in comparison to those of the second CSF (Andreou 2006b: 253). After all, the development rates of the Greek economy during the implementation of the Third CSF were – and are expected to remain – over the EU average. Ultimately, the convergence of the country with the relative member states was evident, but this was not necessarily noticeable among its regions (EEO, 2003:10; Psycharis, 2000:238). Despite that the ability of Greece to catch up with the neighboring regions should be of first priority, the lack of specific regional strategy remains in any case problematic. Finally, regardless the priority treatment that each interregional inequalities might have, they continue to exist in one way or another and their impact over the CSF can not be considered unimportant (Andreou, 2006).

### 3.3.4 NATIONAL STRATEGIC REFERENCE FRAMEWORK (2007-2013)

Ever since the EU was formed, it had a unique and of significant importance purpose, to decrease the development gap among the regions so as to achieve the cohesion between the member states and strengthen their economic background. Therefore this objective was the impetus for the constitution of the “*EU Cohesion Policy*”.

Considering the fact that by the 2012 more member states would be participants, the Cohesion Policy should be reformed and adjusted to the new challenges. For this reason,

on October 2006 the European Commission approved the ‘Community Strategic Guidelines’ for the 2007-2013 period, which should be followed by each Member State.

Moreover, the Member States were invited to compound a document that would outline all the priority policies of each nation and would suggest the key elements for implementation. This document was called “*National Strategic Reference Framework*” (NSRF) and certified that the Cohesion Policy would be implemented at national level. Additionally, it ensures that the assistance from the funds is conformed to the Community strategic guidelines on cohesion and identifies the link between Community priorities on the one hand and the national reform program on the other.

To be more specific, at this point of the analysis the focus will be on the case of our country, Greece. At the 2nd Development Conference (December 2005), the Ministry of Economy and Finances of Greece, presented a working paper which essentially constituted a draft of the NSRF strategic part. The December 2005 decisions of the European Council, through which the financial sources of the EU Cohesion Policy for Greece were ensured until the 2013, along with the Regulations of EU Funds and the Strategic Guidelines for the Cohesion Policy, formed the basic framework that the national authorities followed, in order to address the main parameters of the development programming and to design the NSRF for Greece (also known as ESPA programme).

The resources of the EU Structural Funds continue to be a main financial vein for the Greek economy for the programming period 2007-2013. These transfers within the framework of the Cohesion Policy are of great importance, enabling the NSRF to be a significant tool for the promotion of the priorities of the Lisbon agenda in Greece (Ministry of Economy and Finance, 2007).

During the programming period 2007-2013, several significant reforms were made, one of which was the reduction of the financial tools of the Cohesion Policy from 6 to 3. In particular, the financial instruments that funded the proposals of the NSRF were: the European Regional Development Fund (ERDF), the European Cohesion Fund (ECF), and the European Social Fund (ESF).

For the current period 2007-2013, Greece has received significant financial aid from the EU. In detail, the collected amount is €20.420 billion in total, of which €19.575 billions would to cover the Convergence Objective, while €635 million were meant for the Regional Competitiveness and Employment objective and €210 million under the European Territorial Cooperation objective. Furthermore, the contribution of Greece to the fulfillment of the EU investment the under the National Strategic Reference Framework should amount to at least €6.169 billion at current prices

### 3.3.5 THE OBJECTIVES OF THE GREEK NSRF (2007-2013)

In the framework of the new reformations, the Cohesion Policy readjusted the priority objectives of the Structural Funds. Specifically, the three main objectives are: *Convergence*, *Regional Competitiveness and Employment*, and *European Territorial Cooperation*. These objectives replace the three objectives of the programming period 2000-2006<sup>6</sup>, respectively. Essentially, the Convergence objective<sup>7</sup> is relevant to the former Objective 1 and it aims at the acceleration of the convergence of the least developed Member States and regions by improving the conditions for growth and employment. It concerns primarily the less developed Member States and regions. The action sectors will concern the physical and human capital, the reinforcement of innovation and knowledge society, the contribution to the effective administration and adaptability to the socio-economic changes, the environment and administrative efficiency and finally the structures empowerment especially in the new member states (Papadaskalopoulos and Christoforakis, 2005:15). The objective of Convergence will be

---

<sup>6</sup>Objective 1: promoting the development and structural adjustment of regions whose development is lagging behind.

Objective 2: supporting the economic and social conversion in areas facing structural difficulties.  
Objective 3: supporting the adaptation and modernization of policies and systems of education, training and employment for the regions outside Objective 1. (See also: [http://europa.eu/legislation\\_summaries/regional\\_policy/provisions\\_and\\_instruments/g24203\\_el.htm](http://europa.eu/legislation_summaries/regional_policy/provisions_and_instruments/g24203_el.htm))

<sup>7</sup> The convergence objective requires the GDP per capita of a region to be less than 75% of the EU-25 average (Papadaskalopoulos and Christoforakis, 2005)

funded by the ERDF, ESF and the Cohesion fund, and total resources to be allocated for this purpose amount to 78.54% (264 billion Euros) of the Structural Funds.

The Regional Competitiveness and Employment aims at strengthening competitiveness, employment and attractiveness of the regions<sup>8</sup>. Through the ERDF several programmes will be funded for the prevention of economic and social change, the promotion of innovation and entrepreneurship, the environmental protection, the accessibility, adaptability and the development of inclusive labor markets as well. At the same time, the ESF will be supporting programmes for the entire national territory or programmes that will be appropriate for the adaptability of the employees and the enterprises at the changing socioeconomic conditions (Papadaskalopoulos and Christoforakis, 2005:15). The funding of the ERDF and ESF for the objective of Competitiveness amounts to € 54.965 billions (in current prices) of the total EU budget.

The purpose of European Territorial Cooperation objective is to strengthen the cross-border, transnational and interregional cooperation. What is more, the aim of this objective is to promote common solution on behalf of the authorities of the neighboring countries, in the fields of urban, rural and coastal development, in the development of economic relations and in the networking of small and medium enterprises (SMEs) as well. These collaborations will focus on research, development, information society, environment, risk prevention and integrated water management. The available resources for the territorial cooperation amount to €7.75 billions (2.52%) of the total budget and their funding stems entirely from the ERDF<sup>9</sup>.

### 3.3.6 THE GREEK REGIONS

It is known that Greece is a country with intense geographical differentiations, a fact that makes its development and convergence more complex and a possible reason for lack of homogeneity between the regions. Regional disparities in terms of economic

---

<sup>8</sup> For a more detailed analysis on the Regional Competitiveness and Employment see also [http://europa.eu/legislation\\_summaries/agriculture/general\\_framework/g24231\\_el.htm](http://europa.eu/legislation_summaries/agriculture/general_framework/g24231_el.htm)

<sup>9</sup> For a more detailed analysis on the Regional Competitiveness and Employment see also [http://europa.eu/legislation\\_summaries/agriculture/general\\_framework/g24231\\_el.htm](http://europa.eu/legislation_summaries/agriculture/general_framework/g24231_el.htm)

development are significant, determined by the population, the level of urbanization, the geographical location and the availability of transport infrastructure.

Greece is divided in 13 NUTS 2 regions (since 1997) and for the current programming period they are separated in four categories<sup>10</sup>: *Convergence*, *Phasing-in*<sup>11</sup>, *Phasing-out*<sup>12</sup> (See also APPENDIX I). The Convergence objective includes 8 Greek regions which are: Eastern Macedonia and Thrace, Western Greece, Peloponnese, Ionian Islands, Crete, Thessaly, Epirus, and North Aegean Islands. The GDP per capita of these regions remains under the 75% of the EU average. Thus, these regions are barely populated or located along the mountainous backbone of Greece and it is evident that they are less advantaged and with slower rates of growth<sup>13</sup>. Further down, two regions, namely Central Greece (or else Sterea Ellada) and South Aegean Islands are classified as phasing-in regions. Their GDP per capita exceeds by far the EU average and they are under the Competitiveness Objective, receiving lower financial aid in comparison the 2000-2006 period. The last three Attica, Central Macedonia and Western Macedonia are phasing- out regions of the Convergence objective<sup>14</sup> and they will be granted with transitional and special support, with progressive decreasing trend (Papadaskalopoulos and Christoforakis, 2005:16, Tsipouri and Roubliova, 2010). The map, down below, shows the position and the category of each region as well.

---

<sup>10</sup> Unlike the previous 2000-2006 programming period, all of the Greek regions were eligible under the Objective 1.

<sup>11</sup> Phasing-in Regions: are the regions that have transitioned to the regional competitiveness objective, having earlier qualified for objective 1 funding.

<sup>12</sup> Phasing- out Regions: EU-15 regions no longer eligible for convergence funding because their GDP exceeds the threshold of 75% GDP per capita of the EU-25 average.

<sup>13</sup> [http://ee.europa.eu/regional-policy/archive/funds/prord/document/chapter1\\_eu.pdf](http://ee.europa.eu/regional-policy/archive/funds/prord/document/chapter1_eu.pdf)

<sup>14</sup> Hellenic Republic, Ministry of Economy, Competitiveness and Shipping, General Secretariat for Investments and Development, National Strategic Report NSRF 2007-2013, Athens, December 2009, p.121.

Furthermore, a basic feature on the desegregation of the Greek regions is the role of the five transitional Regions and particularly the two Phasing-in Regions, in comparison to the eight Objective 1 Regions. These five regions surpass the development levels and enter an independence stage by cutting off gradually from the community funds. The financial aid they receive from the Structural Funds is progressively reduced so as, in time, they can stand among the developed European regions. On the other hand, the Phasing- in Regions will be financed by additional national resources in order to confront with the higher Lisbon Strategy's challenges (MEF, 2007).

Moreover, the development planning of these regions will be carried out by the relevant ROPs, leaving out the Social Fund owing to the mono- fund character of the OPs. At the same time, the Objective 1 Regions will be covered through the Sectoral as well as Regional OPs. Thus, the new OPs approach in a different way the Regions of transitional support and the Objective 1 Regions which is visible through the allocation of resources among OPs and also in the type of actions that will be implemented through the ROPs (MEF, 2007).

### 3.4 STRUCTURE OF THE OPERATIONAL PROGRAMMES

In the 2007–13 programming period, the negotiations between the Greek authorities and the Commission resulted in an improved and less complex system for Structural Fund implementation in Greece, with the concentration of expenditure on fewer, but higher-value priorities than in previous programming periods<sup>15</sup>. For the 2007-2013 period the number of programmes was reduced from 25 to 14 and the strategic plan for Greece will be implemented through *nine sectoral* and *five regional* programmes. One programme is for a national contingency reserve under the Convergence Objective and with three of the sectoral programmes, is co-funded by the European Social Fund (ESF), while the other

---

<sup>15</sup> [http://ec.europa.eu/regional\\_policy/atlas2007/greece/index\\_en.htm](http://ec.europa.eu/regional_policy/atlas2007/greece/index_en.htm): Accessed in May 2015, 4 from the Archive of the European Commission, Cohesion Policy in Greece.

five sectoral and all the regional programmes are funded by the European Regional Development Fund (ERDF) (Tsouroupi and Roubliova, 2010). In the list of OPs, Greece submitted five multi-objective Operational Programmes covering the Convergence and Regional Competitiveness and Employment Objective regions. In addition, Greece also participated in 12 territorial co-operation programmes.

Moreover, for the implementation of both Sectoral and Regional Operational Programmes, Greece allocated €42.910 billion (in current prices), an amount which is not a clear cut from the EU budget. This means that beside the Structural Funds resources it includes the national contribution as well<sup>16</sup>.

### 3.4.1 *SECTORAL OPERATIONAL PROGRAMMES*

In addition to the above, it is noted that the Sectoral Operation Programmes cover 58% (€24.967 billions in current prices) of the available resources (€42.910 billions). Further, the 8 Sectoral Programmes that are being planned at national level for the implementation of the Greek development plan for the period 2007- 2013 are presented here below and the interventions of each OP are introduced. In detail:

#### **1. OP ‘*Environment – Sustainable Development*’**

The main objectives of the ‘Environment – Sustainable Development’ Operational Programme are to protect, upgrade and to promote the sustainable development of the environment so that it can continue to be a background for the public health and for improving the quality of the citizens life as well as the competitiveness of the Economy. The main interventions implemented within the framework of this OP are: the integrated solid and waste management, the soil protection and the management of urban waste waters, the development of a control system for all sources of atmospheric pollution and

---

<sup>16</sup> The amount mentioned (€42.910 billions in current prices) comes from data processing, which were received from data base of the Ministry of the Economics after consultation with the Integrated Information System (OPS) of the Greek Ministry of Economics (<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>).

the implementation of an action plan aiming at the reduction of air pollution. These interventions are also paying attention to the protection of habitats, to flood preventions via robust infrastructure, at the prevention and management of natural and technological disasters through mechanisms and sound practices.

As far as these OPs economic background is concerned, its share amounts to €4.312 billions, this proportionally corresponds to 10.05% of the finances. Yet, €2.633 billions were given for Legal Commitments which on their turn covered €1.661 billions in Payments (APPENDIX II – Table 3)<sup>17</sup>.

## **2. OP ‘Accessibility Improvement’**

The development and modernization of the physical infrastructure and relevant services of the country’s transport system dominate in the priority list of the Accessibility Improvement programme. Specifically, this OP focuses on the implementation of the interventions on the road and rail transport sector by completing and upgrading the constructions pending from the previous period. In the sea transport sector emphasis is placed on the completion of main ports network and port infrastructure and their interconnection with other Trans-European Networks. In the field of urban transport sector, of significant importance is the consummation of Metro both in Athens and Thessaloniki and of the urban roads. Likewise, emphasis is given at the extension of the existing Fixed Rail Transport network. Finally, as far as the transport safety is concerned lights are shed on the application of telematic systems, on the improvement of road safety and electronic traffic management, as well as on navigation safety. Emphasis shall also be placed on the improvement of rail traffic management and on the improvement of safety in public transport systems.

Regarding the Accessibility Improvement budget, its overall amount is €10.247 billions (23.88%) of which €8.227 billions accounted for Legal Commitments. Thus, €4.307

---

<sup>17</sup> The data appearing in the tables were given by the data base of the Integrated Information System (OPS) of the Greek Ministry of Economics and they are all in current prices. (<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>)



billions of the Legal Commitments share were spent on Payment expenses (APPENDIX II – Table 4).

### **3. OP ‘*Competitiveness and Entrepreneurship*’**

The main development objective of the OP ‘Competitiveness and Entrepreneurship’ is the improvement of the competitiveness and openness of the country’s enterprises and production system, with particular emphasis on innovation. Specifically, the targets of this OP are the promotion of the country’s Research, Development & Innovation (RDI) system and its connection with the productive sector, and thus the reinforcement of the entrepreneurial basis, including the development of business clusters.

Supplementary, the allocated budget for this OP is €2.430 billions (5.66%) of the total available budget (€42.910 billions), of which €2.310 billions were spent on Legal Commitments. This time €1.632 billions accounted for Payments (APPENDIX II – Table 5).

### **4. OP ‘*Digital Convergence*’**

The Digital Convergence aims at improving productivity and the welfare through high technology practices. It interferes with the promotion of the Information and Communication Technology (ICT) enterprises, as well as the entrepreneurship in sectors that use the ICT. Emphasis is also given at the development of public administration digital services for the civilians and in the improvement of daily life through the ICT.

What is more, the available budget for this OP amounts to €1.263 billions (2.94%) of which €697 millions were offered for the Legal Commitments coverage and plus €424 millions out of the Legal Commitment’s proportions were used for Payments (APPENDIX II – Table 6).

### **5. OP ‘*Development of Human Resources*’**

The strategic objectives of this OP are aiming at the conditions of full employment, the improvement of productivity, the adaptability of the enterprises and employees in the changing conditions and in the competitiveness. The employment of women, youth and

older individuals, as well as the decrease of social inclusion escalation is some additional steps on the development of human resources.

Its interventions are focusing on the adjustment of the labour market structure and system to the current needs, as well on measures against the illegal employment. What is more, significant steps will be made on supporting of the unemployed and on intensifying the employment of youth and women. The OP simultaneously is trying to restrict the social exclusion of the vulnerable groups, and especially the disabled, into society and the labour market and ultimately the development of Social Economy.

In this case, the OP for the development of the human resources has under its administration an estimated budget of €3.390 billions (7.9%). For the legal activities €3.073 billions were allocated and for the fulfillment of the Payments €2.272 billions were distributed (APPENDIX II – Table 7).

#### **6. OP ‘*Education and Lifelong Learning*’**

As its title reveals, the Education and Lifelong Learning programme emphasises in the reformation of the educational system for effective lifelong learning and in the quality and attractiveness of occupational education and training. Indicative support will be given at the integration of new technologies, at the restructuring of the vocational training, also at the creation of more Second Opportunity Schools and Adult Education Centers. Of quite great importance is considered to be the expansion of the Open University as well. The teacher’s training and the reinforcement of teaching for minorities are the most proposed intentions for the completion of the OP’s tasks.

In order to achieve its goals, the Operational Programme of education and learning is funded with €2.011 billions (4.6% of the total budget – €42.920 billions), out of which €1.830 was spent on Legal Commitments. Thus €1.290 billions were the account of the Payments that were covered during the 2007-2013 period (APPENDIX II- Table 8).

#### **7. OP ‘*Public Administration Reform 2007-2013*’**

The purpose of the specific OP is to create an open, flexible, efficient and citizen-oriented governmental system, that will serving the transition from the management of responsibilities and procedures to the administration of policies, goods and services.

Some of the most important interventions that will be implemented by this programme are the evaluation and monitoring of public policy implementation, the simplification of administrative procedures, also the organizational and operational re-engineering and administrative regrouping and last the public administration training and the upgrade of the quality of supplied training in practice.

Concerning the funds that will be implemented for this specific OP, its budget occupies 1.5% (€652 millions) of the available resources, of which €560 millions account for Legal Commitments and from the latter €409 millions will be spent on payments (APPENDIX II – Table 9).

### **8. OP ‘*Technical Assistance*’**

The Technical Assistance programme interferes with the preparation, management, monitoring, evaluation, inspection of the OPs, and actions to reinforce administrative capacity with respect to the implementation of the Funds’ interventions.

This operational programme is co-finance by the ERDF and it includes two actions concerning the support of the executive bodies in the OPs’ administration and organization system for preparation, implementation, monitoring and inspection, and for interventions relating to the preparation of studies and evaluations, as well as interventions relating to information and publicity (MEF, 2007).

In general, the share of the Technical Assistance in comparison to the rest of the OP is low and specifically €389 millions (0.90%) of the total budget were granted. Following, €355 millions were given for the achievement of the Legal Commitments and at the same time €282 millions were removed from the Legal Commitments’ amount so as to settle the Payments (APPENDIX II – Table 10).

### **9. OP ‘*National Contingency Reserve*’**

The National Contingency Reverse is a form of intervention, planned in such a way so as to deal with unexpected sectoral and local difficulties connected to economic and social reorganization or with the consequences stemming from the trade opening.

The content of this OP is including two priority axes which provide Medium- and long-term support of human resources and immediate tackling of the direct consequences affecting the human resources, respectively, in cases of sudden local and sectoral crises, relating both with the consequences that come from the economic restructure and the expansion of the trade<sup>18</sup>.

Last in the list of the Sectoral Operational Programmes, the National Contingency Reserve has a budget that amounts to €269 millions (0,62% of the available budget) of which €268 millions were used on the formation of contract whereas €158 millions were implemented on the pay offs (APPENDIX II – Table 11) .

### 3.4.2 REGIONAL OPERATIONAL PROGRAMMES

For the implementation of the Greek NSRF during the programming period 2007-2013, Greece was separated in five special entities, which corresponds to five Regional Operational Programmes (ROPs). A brief description of the ROPs is presented further down:

1. ROP Macedonia- Thrace (*Easter Macedonia &Thrace, Central and Western Macedonia*)
2. ROP Western Greece – Peloponnese – Ionian Islands
3. ROP Crete – Aegean Islands( *South and North Aegean*)
4. ROP Thessaly – Central Ellada(*Stereia Ellada*) – Epirus
5. ROP Attica

The ROPs will contribute to the implementation of the national strategic goals complementary with the Sectoral Programmes, by paying certain attention to the specific characteristics and needs of each spatial entity / Region<sup>19</sup>.

Once the ROPs act complementarily with the Sectoral Operational Programmes their budget (€17.942 billions in current prices) covers 41.81% of the total amount (€42.910 billions), set for the 2007- 2013 period. Additionally, from their budget the €13.997

---

<sup>18</sup> <http://www.espa.gr/en/pages/staticOPNationalContingencyReserve.aspx>

<sup>19</sup> <http://www.espa.gr/el/pages/staticRegionalOP.aspx>

billions were allocated so as to manage the Legal Commitments, while €8.650 billions out of the 13 were used in order to cover the Payments (APPENDIX II- Table 12).

### 3.5 CONCLUDING REMARKS

The experience of one of the “old” cohesion countries, Greece, indicates that the EU cohesion policy has had a significant impact on Greek structures, policies and politics. Additionally, Cohesion Policy investment channeled through the Structural Funds has supported a huge number of projects in Greece, from large-scale public works to small local initiatives. The Greek response to the temporally shifting pressures induced by the EU was the adaptation of the existing processes, policies and institutions without changing their essential features and the underlying collective understandings attached to them.

Moreover, the experience of the Greek CSFs shows that the development of managerial and administrative capabilities at all levels is crucial for the success of the implementation of cohesion policy. In order to achieve a cohesive and effective management result, the implementation system should provide for high quality administrative services and for mechanisms that would transfer the know-how to involved parties. The performance of the Greek economy during the first and the second CSF provide a good illustration of the links between cohesion policy and the overall economic policy. In this sense, for the implementation of cohesion policy significant is the role of the degree of synergy between structural programmes and domestic structural reforms.

In the forth programming period 2007-2013, the implementation of the NSRF in the Greek country brought fundamental input to the regions and priority was given to the less developed ones. Greece has made a strong commitment to increase funding efforts towards Lisbon-related activities to promote growth and jobs. Dedicated to the new objectives of convergence, competitiveness and cooperation the Greek Cohesion Policy

was applied through five regional programmes funded by the ERDF, and eight thematic programmes funded by the ERDF, the Cohesion Fund and the ESF. One other programme covered a national ‘contingency reserve’ under the Convergence Objective. All these programmes constituted the instruments for the achievement of development in the Greek regions, by covering the voids in the lagging sections, and the vital pillars for the reinforcement of the Greek economy.

## CHAPTER 4

The previous section demonstrated a short review of the Cohesion Policy's course in Greece, starting from the post-war period. Particularly, significant importance was given to the three programming periods, during which Greece received fundamental economic support through the implementation of the CSFs. However, it was evident that the administration and management of these funds were basically problematic; leaving several Greek regions without any benefit and their disparity was visible in the following periods.

By taking into consideration the importance of the prevailing situation in Greece, it would be worthwhile to look into the 2007-2013 programming period. Specifically, this chapter attempts to assess the efficacy of the Greek National Strategic Reference Framework, implemented during this period, at national and regional level. Additionally, throughout the examination the evaluation of the allocation of the NSRFs' resources in the Greek regions will be feasible. In a nutshell, the central aim of the research is to identify the regions that were benefited most from the funding and to point out if there are any essential inequalities.

Reasonably, for the attainment of this purpose and in order to reach the desirable results, a quantitative analysis will be held, through the presentation of data that concern the allocation of the EU Structural Funds resources in the nine Sectoral and five Regional, approved, Operational Programmes of the Greek NSRF. Moreover, their content relates to the financial support of the 13 Greek regions, given by the EU, including also the national contribution (also known as public expenditure) and it is divided into three categories: the Accession Budget, the Legal Commitments and the Payments<sup>20</sup>. These

---

<sup>20</sup> **OPS Clarification:** The Commitment of the Co-Financed Public Expenditure (€) concerns the amounts that were agreed to be taken by the Ops and is the amount that will be covered by the Community and national funds. The Commitment Community Contribution (€) concerns the part of the previous amount which will be paid from the EU funds after the certification of the expenditures, made by the Payment Authority in the European Community. The Co-funded Public Expenditure of the Approved Programmes are the amount in which arise the project inclusion in the programmes. As it is observed in the Appendix III they surpass the commitments and this happens so as not to record payment losses in case of excluded

data were received online and at current prices, by the Integrated Information System (OPS)<sup>21</sup> of the Greek Ministry of Economics and their examined time period initiates from the entry date of the NSRF (1<sup>st</sup> January, 2007) until the 28<sup>th</sup> of January, 2015.

Following, the upcoming analysis involves the presentation of data tables demonstrating the OPs resources and their distribution in the Greek regions. All the prices appearing in the tables are turned in GDP per capita terms (i.e. terms through which the basic goal of the Regional Policy is set) (Economou, 2005) by using the real population of the 2011<sup>22</sup>. In addition, there will be commentary on graphs<sup>23</sup> that display the per capita OPs funds on the X axis and the 2007 GDP per capita on the Y axis. Consequently, this will be helpful to recognize which regions were benefited most and if the disadvantaged ones were primary treated.

#### 4.1 DATA ANALYSIS

As it is already mentioned the NSRF 2007-2013 is a reference document for the programming of the EU Structural Funds at national level, designed for the 2007-2013 period. The Sectoral and Regional Operational Programs constitute the spine of the development plan, co-financed by the EU for the social and economic cohesion and are aiming at the reinforcement of the competitiveness of the Greek economy. Designed according to the Actions of the Structural Funds these OPs were equipped with significant resources in order to restore the imbalances among the Greek regions.

The sharing of the NSRFs funds, based mainly on the Cohesion policy principle, was made so as to harmonize the inequalities in the Greek territory. But does this really works

---

programmes. The Accession Budget of the total Public Expenditure concerns the entire cost of the programme regardless of eligibility.

<sup>21</sup> Integrated Information System of the Greek ME:

<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>

<sup>22</sup> [http://www.statistics.gr/portal/page/ESYE/PAGE-](http://www.statistics.gr/portal/page/ESYE/PAGE-themes?p_param=A1604&r_param=SAP01&y_param=2011_00&mytabs=0)

[themes?p\\_param=A1604&r\\_param=SAP01&y\\_param=2011\\_00&mytabs=0](http://www.statistics.gr/portal/page/ESYE/PAGE-themes?p_param=A1604&r_param=SAP01&y_param=2011_00&mytabs=0)

<sup>23</sup> The diagrams were extracted from the Programme IBM SPSS Statistics 20.



for the lagging regions? In the Table 13 the total expenditures of the NSRF is weighted with the real population of every region creating the indicator NSRF per capita. Also this indicator is examined with relation to the development level of the regions so as to study even more systematically the redistributive character of the government policy.

In fact, the overall per capita programming allocation of the OPs resources, distributed by region (based on the population 2011), varies in a range from 2,9% to 14% with Attica being ranked at the lower levels and Western Greece winning the funding race (Table 13). The above observation eases the matter as Attica is already developed, while Western Greece is not, but this does not verify the fact that the less developed regions will always receive the most.

**Table 13:** Regional per capita programming allocation of the NSRF 2007-2013.funds (total public expenditure)

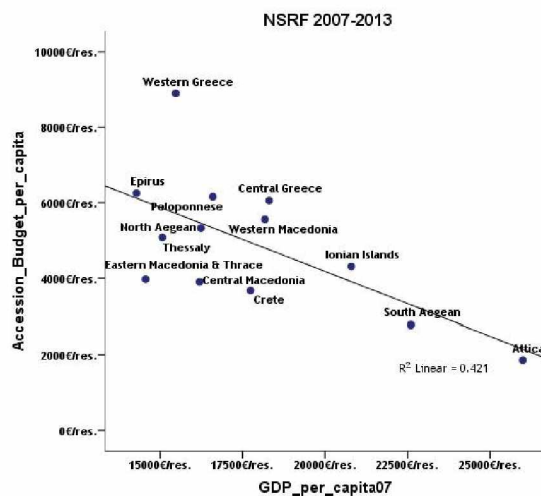
<i>Region</i>	<i>Accession Budget</i>		<i>Legal Commitments</i>		<i>Payments</i>		<i>GDP_2007</i>
	<i>€ per capita</i>	<i>% Budget</i>	<i>€ per capita</i>	<i>% Commitments</i>	<i>€ per capita</i>	<i>% Payments</i>	<i>€ per capita</i>
Eastern Macedonia & Thrace	3979.16	6,2	3263.04	6,4	2253.21	6,9	14,563
Central Macedonia	3907.78	6,1	2959.75	5,8	1744.61	5,3	16,197
Western Macedonia	5561.81	8,7	4286.10	8,4	2804.97	8,5	18,177
Epirus	6257.18	9,8	5074.11	10	3539.47	10,8	14,285
Thessaly	5083.37	8,0	4147.05	8,2	2935.87	8,9	15,070
Ionian Islands	4314.62	6,8	3626.73	7,1	2368.20	7,2	20,791
Western Greece	8897.50	13,9	7118.90	14	3889.89	11,8	15,478
Central Greece (Sterea Ellada)	6060.51	9,5	4922.12	9,7	3124.66	9,5	18,304
Attica	1859.52	2,9	1478.61	2,9	970.51	3	25,992
Peloponnese	6163.89	9,7	4673.49	9,2	2941.96	8,9	16,597
North Aegean	5328.44	8,3	4077.17	8,0	2748.48	8,4	16,237
South Aegean	2781.85	4,4	2357.97	4,6	1622.24	4,9	22,598
Crete	3677.82	5,8	2866.38	5,6	1941.67	5,9	17,744
Total	63873.45	100	50851.42	100	32885.74	100	-

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

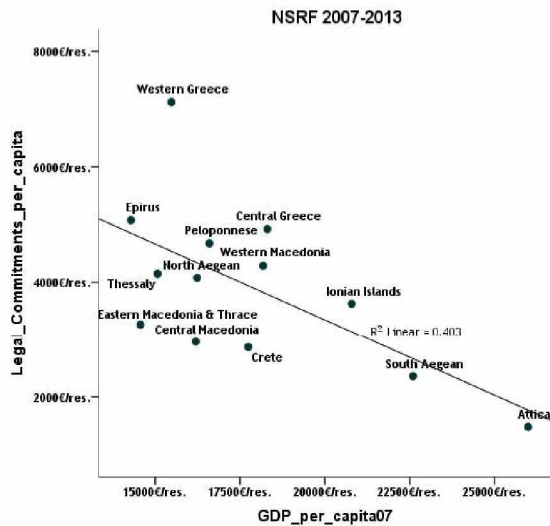
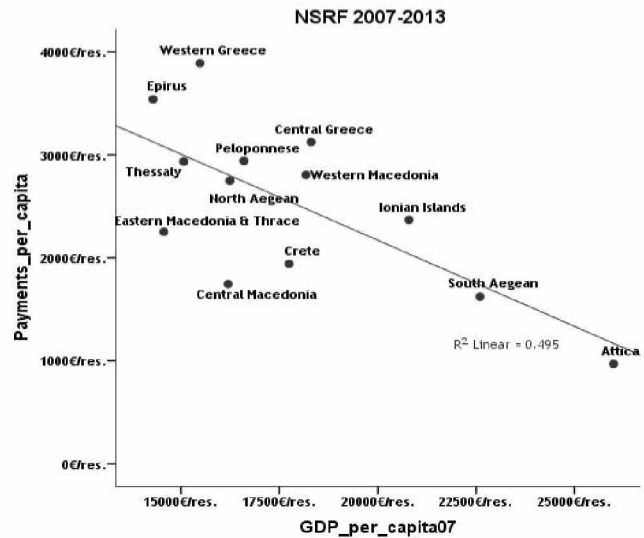
Moreover, based on the tendency of the trend line, there is a negative relation between the per capita allocation of the NSRF budget and the development level of the regions, as the Chart 1 shows. Namely the regions with low development level tend to have proportionally major participation in the allocation of the NSRF funds. In Attica and S. Aegean are observed high GDP per capita rates and low budget shares. The regions of

Central Macedonia, Eastern Macedonia & Thrace have both sizes quite low with Crete appearing a little higher GDP p.c., yet its budget ranges at the same level of the other two regions. Thus, Peloponnese, N. Aegean, Thessaly and Epirus are better treated with Western Greece exceeding in funding. However, the Ionian Islands, Central Greece and W. Macedonia are exception of the rule as they are proportionally more benefited, based on their growth rate.

Chart 1: Regional allocation of the NSRF 2007-13 per capita budget.



It is evident that, in the case of Legal Commitments and Payments, the correlation with the GDP per capita remains negative. In addition, Attica, S. Aegean and Ionian Islands keep the same rank in both cases (Chart 2, 3). Further, Central Greece and W. Macedonia cover significant percentage in Legal Commitments and in Payments too. The same is true for Peloponnese, N. Aegean and Thessaly except that they have lower GDP p.c. Following, Western Greece and Epirus match high rates in their allocated resources according to charts 2 and 3, with low GDP p.c. while the opposite is valid for Eastern Macedonia & Thrace, where both rates are quite low. The only apparent difference is that in Legal Commitments Central Macedonia surpasses Crete in funding however, in Payments it is vice versa.

**Chart 2:** Regional per capita allocation of the NSRF's 2007-2013 Legal Commitments**Chart 3:** Regional per capita allocation of the NSRF's 2007-2013 Payments

## 4.2 SECTORAL OPERATIONAL PROGRAMMES

Greece's strategic plan is being implemented through 8 Sectoral Operational Programmes together with the National Contingency Reserve, as they were officially approved by the European Commission for the programming period 2007-2013. The Sectoral Operational Programmes focus on targeted areas to improve competence and competitiveness of Greece.

### 4.2.1 *ENVIRONMENT-SUSTAINABLE DEVELOPMENT*

First in the range of the Sectoral Operational Programmes is the "Environment and Sustainable Development" which covers the 10% of the NSRF's budget. The OP's strategic goal is focusing on the protection, upgrading and environmental sustainability so as to constitute the foundation for the protection of public health, the improvement of the life quality and as well the key factor for improving the competitiveness of the economy. Further down, Table 14 presents the available data about the course of the Environment-Sustainable Development OP. Specifically it illustrates the per capita distribution of the

OP's funds, by region. The programming allocation of the budget, the legal commitments and the payments, in per capita terms, is presented through the relative graphs (Chart 4, 5, 6) which give a clearer view of the economic support of the regions.

**Table 14:** Per capita amounts for Accession, Legal Commitments and Payments of the OP "Environment -Sustainable Development"

<i>Region</i>	<i>Accession Budget</i>	<i>Legal Commitments</i>	<i>Payments</i>	<i>GDP_2007</i>
	€ per capita	€ per capita	€ per capita	€ per capita
Eastern Macedonia & Thrace	405,46	233,97	152,21	14.563
Central Macedonia	269,99	148,55	78,00	16.197
Western Macedonia	681,98	625,97	450,05	18.177
Epirus	528,34	249,94	161,96	14.285
Thessaly	581,57	397,19	254,11	15.070
Ionian Islands	466,80	335,69	270,48	20.791
Western Greece	763,91	477,59	300,68	15.478
Central Greece (Sterea Ellada)	1129,47	661,61	401,76	18.304
Attica	173,54	110,68	74,59	25.992
Peloponnese	548,55	252,15	173,65	16.597
North Aegean	303,28	163,34	119,65	16.237
South Aegean	605,89	379,70	241,34	22.598
Crete	346,53	213,20	137,82	17.744

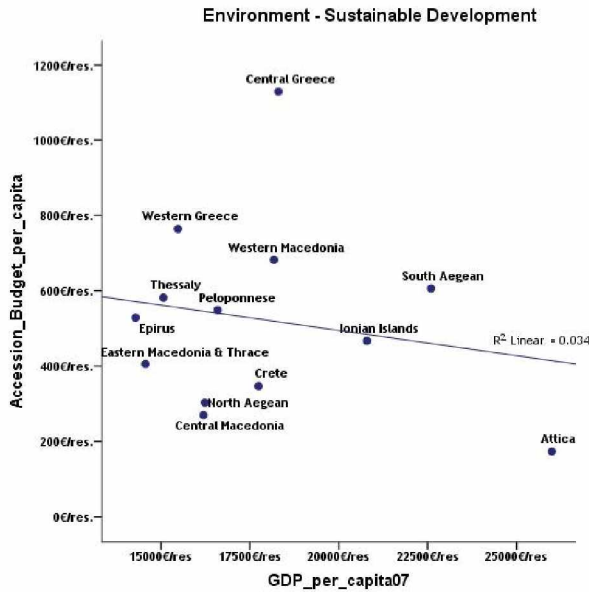
Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

It is worth to mention that the allocated funds with the GDP p.c. rates reveals negative relation which is evident in all three cases. At this point, it should be also underlined that in the Payments' figure the tendency of the trend line is almost horizontal which means that there is slight relation among the two axes. Regarding the distribution of the OP's budget, Attica reaches the lowest level of funding with the highest growth rate (Chart 4).

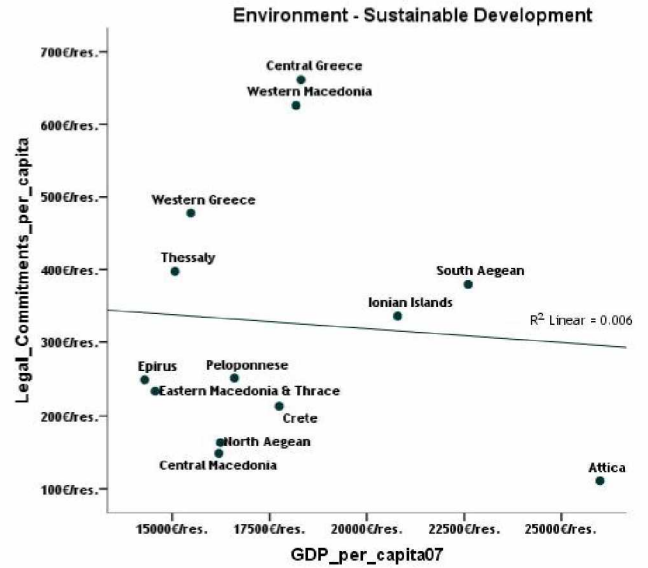
Thus, the same is observed in the other two categories (Chart 5, 6). Especially, it is noted that Central Macedonia, N. Aegean and Crete are lagging behind in all stages. While in the opposite side of better performance are S. Aegean, Western Macedonia, Western and Central Greece with the latter exceeding by far. Moreover, the regions of Peloponnese, Thessaly, Eastern Macedonia & Thrace and Epirus combine low budget shares with low GDP p.c. prices. However, Peloponnese, Eastern Macedonia & Thrace along with Epirus in the per capita allocation of Legal Commitments and Payments tend closer to the aforementioned lagging regions. Nonetheless, it is noteworthy that in Payments there is a

distinctive difference between S. Aegean and Ionian Islands where the latter appears ascent in comparison to S. Aegean. The diagrams below represent all above.

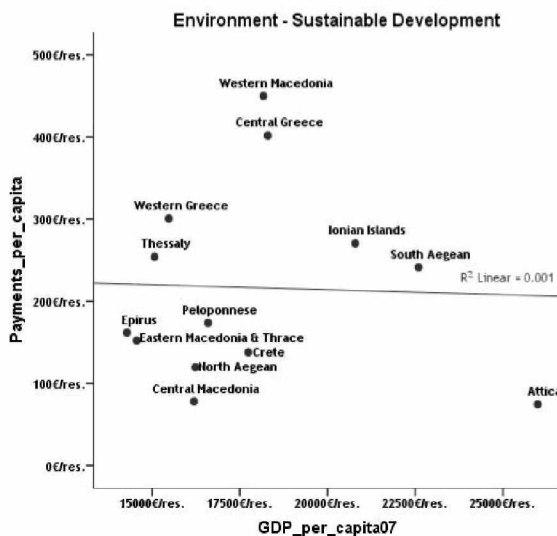
**Chart 4:** Regional per capita allocation of the Environment - Sustainable Development's Budget



**Chart 5:** Regional allocation per capita of the Environment- Sustainable Development's Legal Commitments



**Chart 6:** Regional per capita allocation of the Environment- Sustainable Development's Payments



#### 4.2.2 ACCESSIBILITY IMPROVEMENT

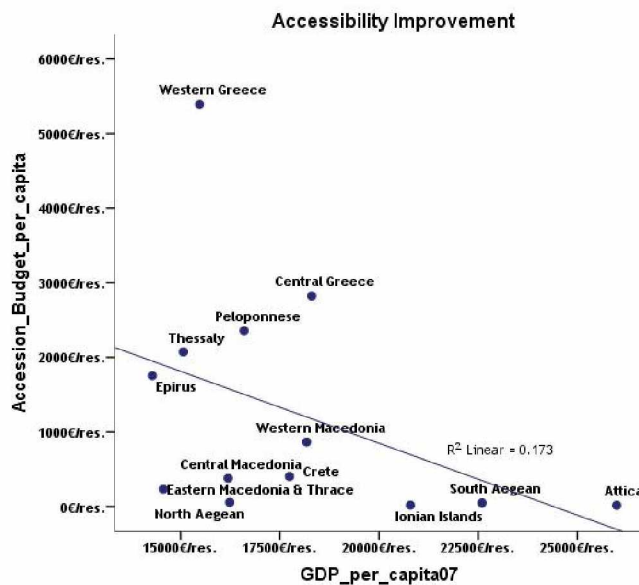
The Operational Programme “Accessibility Improvement”, was also approved by the Commission in the framework of the implementation of the Greek NSRF 2007-2013. The Operational Programme aims to improve transport infrastructure in Greece as well as its international connections. It will therefore have conclusive role in enhancing the attractiveness and accessibility of Greece's distant regions and also in improving its international transport. On account of its purpose, the OP received remarkable economic support which amount to € 10.247 billion (Appendix II – Table 4), which corresponds to a percentage of 24% of the available resources.

With regard to the evaluation of the distributed finances of the “Accessibility Improvement” OP to the Greek district, the following table presents in detail the received amounts. At a glance, the per capita allocation of the OPs budget is raging from € 18.14 (Attica) to € 5391.09 (Western Greece) which is depicted clearly in the corresponding graph down below (Chart 7). It is worth to mention that these regions maintain their distinctively opposite positions and in the other two stages. S. Aegean and Ionian Islands have also acquired low budget shares, but still require quite high GDP p.c. rates. On the other hand, N. Aegean, Eastern Macedonia & Thrace along with Central and W. Macedonia appear significant lag not only in budget allocation but also in legal commitments and payments as well. Finally, Epirus, Thessaly, Peloponnese and Central Greece outperform with Central Greece having both prices higher than the other three regions.

**Table 15:** Per capita amounts for Accession, Legal Commitments and Payments of the OP “Accessibility Improvement”

<i>Region</i>	<i>Accession Budget</i> € per capita	<i>Legal Commitments</i> € per capita	<i>Payments</i> € per capita	<i>GDP_2007</i> € per capita
Eastern Macedonia & Thrace	233,97	179,71	140,89	14.563
Central Macedonia	379,95	309,69	216,34	16.197
Western Macedonia	865,13	750,67	359,63	18.177
Epirus	1756,08	1487,18	934,30	14.285
Thessaly	2073,59	1755,67	1271,83	15.070
Ionian Islands	20,20	11,16	6,93	20.791
Western Greece	5391,09	4309,10	2057,66	15.478
Central Greece (Sterea Ellada)	2822,05	2359,69	1401,57	18.304
Attica	18,14	11,73	7,50	25.992
Peloponnese	2357,30	1700,39	1032,10	16.597
North Aegean	57,93	45,97	38,02	16.237
South Aegean	49,62	33,69	17,71	22.598
Crete	404,29	286,37	175,27	17.744

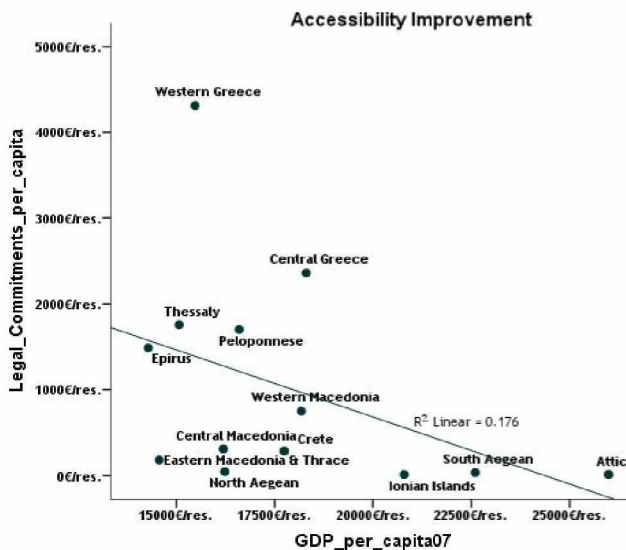
Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document.

**Chart 7:** Regional per capita allocation the Accession Improvement’s budget

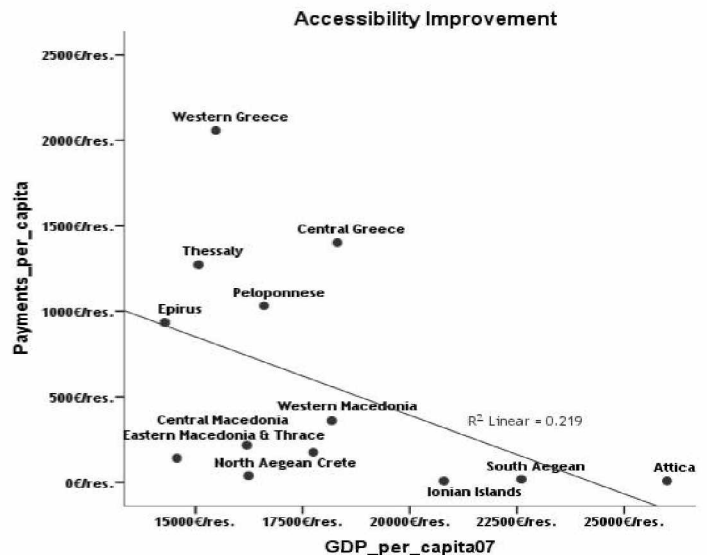
What is more, in case of Legal Commitments and Payments per capita the tendency of the trend line follows a downward direction as it is observed in the graph concerning the budget allocation. However, a distinctive difference is evident in both Charts 8 and 9. In the previous graph of the budget the region of Thessaly was ranging between Epirus and

Peloponnese, while in this case is oriented above these two regions. Nonetheless, the remaining regions present minimal changes, holding the same positions as before.

**Chart 8:** Regional per capita allocation of the Accessibility Improvement's Legal Commitments



**Chart 9:** Regional per capita allocation of the Accessibility Improvement's Payments



#### 4.2.3 COMPETITIVENESS AND ENTREPRENEURSHIP

The Sectoral Operational Programme of Competitiveness and Entrepreneurship falls within the Convergence Objective. As a matter of fact, it provides funding to the 8 “Convergence” Objective regions, with the contribution of the European Regional Development Fund (ERDF), while the “Phasing in and out” regions are not included. Even more, its disposed operational budget, including the national input, reaches € 2.430 billion (in current prices)(APPENDIX II- Table 5), amount that covers the 5.6% of the available funding.

The data table that follows is indicative on the way the OP's resources were regionally distributed. By correlating the Accession Budget column with the one of the GDP per capita, one can see that there is no negative relation this time. The same is also true for



the Legal Commitments and Payments of the OP and it is reflected in the corresponding diagrams, through the tendency of the trend line, which has an upward direction.

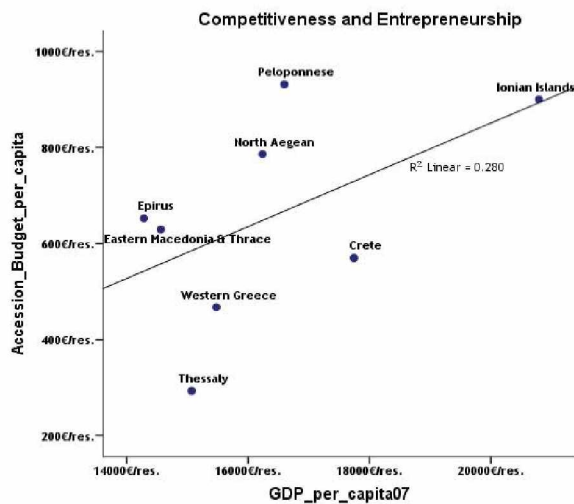
**Table 16:** Per capita amounts for Accession, Legal commitments and Payments of the OP “Competitiveness & Entrepreneurship”

<i>Region</i>	<i>Accession Budget € per capita</i>	<i>Legal Commitments € per capita</i>	<i>Payments € per capita</i>	<i>GDP_2007 € per capita</i>
Eastern Macedonia & Thrace	629,22	610,55	472,76	14.563
Epirus	652,28	630,35	445,49	14.285
Thessaly	293,04	281,70	202,50	15.070
Ionian Islands	900,26	845,82	605,24	20.791
Western Greece	467,65	441,62	324,76	15.478
Peloponnese	931,48	900,89	581,96	16.597
North Aegean	785,75	710,09	527,34	16.237
Crete	569,88	526,14	355,91	17.744

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

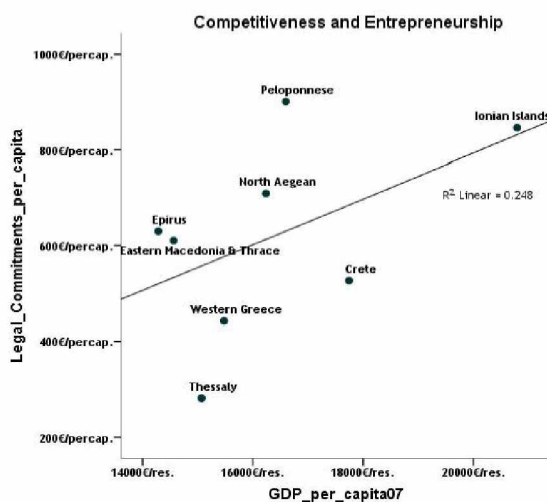
More specifically, the per capita allocation of the OP’s financial resources has as a result the appearance of inequalities among the convergence regions with Ionian Islands to be a quite representative example as it combines the highest GDP per capita rate with a great share while Western Greece and Thessaly have both rates significantly low. Additionally, in Peloponnese and N. Aegean are noted high budget proportions as well, but lower GDP per capita rates, whereas Crete seems to lag in funding, however it has higher growth rate than the other two. On the other hand, Eastern Macedonia & Thrace and Epirus, regardless that they acquire the lowest GDP per capita rates, they still received significant amounts.

**Chart 10:** Regional per capita allocation of the Competitiveness & Entrepreneurship’s Budget

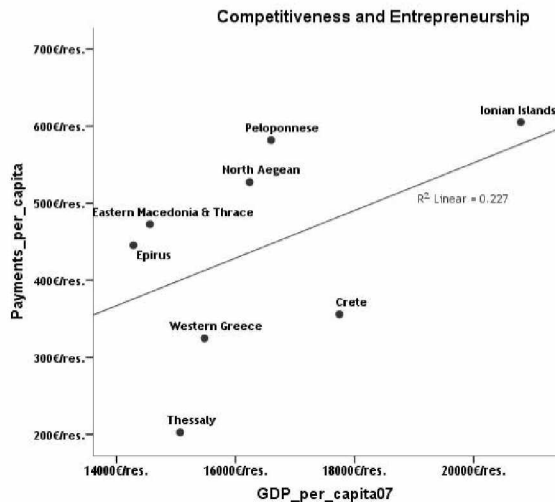


As it was already highlighted, the relation of the GDP per capita with the Legal Commitments and Payments is positive. In the case of these two stages there are no significant differentiations in the ranking of the regions except the one that is distinctive in the Payments chart. Specifically, in the graphs of Accession Budget and Legal Commitments, Eastern Macedonia & Thrace allocated bigger proportions than Epirus while the opposite is valid for Payments where Epirus exceeds Eastern Macedonia & Thrace.

**Chart 11:** Regional per capita allocation of the Competitiveness & Entrepreneurship's Legal Commitments



**Chart 12:** Regional per capita allocation of the Competitiveness & Entrepreneurship's Payments



#### 4.2.4 DIGITAL CONVERGENCE

The programme "Digital Convergence" involves Community support for Greek regions that are eligible under the Convergence objective and the "Phasing-out" regions are not included. Thus, the Operational Programme falls within the framework laid out for the Convergence objective and has a total budget of around € 1.263 billion (2.9% of the total NSRF Budget)(APPENDIX II- Table 6). In addition, its vital aim is to achieve digital convergence of the country with the European Union by exploiting Information and Communication Technologies (ICT).

Towards the evaluation of the obtainable finances of the Digital Convergence OP the representative table down below, offers a descriptive analysis of the OP's distributed amounts. Significantly, it is observed that Central Macedonia and Attica have received minimal aid at all stages despite that Central Macedonia is more qualified for funding ought to its low GDP per capita rate. Nevertheless, the OP's efficacy on the regional growth is evident since regions with higher GDP per capita rates, such as Crete and Peloponnese allocated the lowest shares. Additionally, N. Aegean, W. Greece, Eastern Macedonia & Thrace and Epirus combine low GDP p.c. rates with high financial aid. Though, Ionian Islands and Thessaly are the exceptions, as Ionian Islands have both rates high while in Thessaly the opposite is in effect.

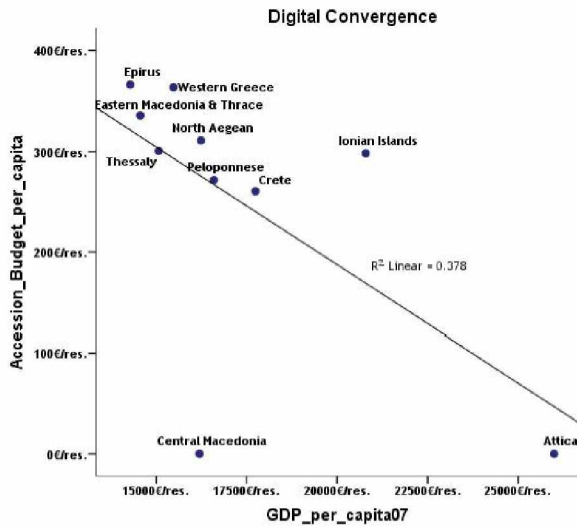
**Table 17:** Per capita amounts for Accession, Legal Commitments and Payments of the OP "Digital Convergence"

<i>Region</i>	<i>Accession Budget € per capita</i>	<i>Legal Commitments € per capita</i>	<i>Payments € per capita</i>	<i>GDP_ 2007 € per capita</i>
Eastern Macedonia & Thrace	335,67	174,39	110,62	14.563
Central Macedonia	0,07	0,07	0,07	16.197
Epirus	366,30	209,76	127,13	14.285
Thessaly	300,64	163,96	104,65	15.070
Ionian Islands	298,27	170,14	106,11	20.791
Western Greece	363,62	201,28	118,22	15.478
Attica	0,00165	0,001654	0,00	25.992
Peloponnese	271,81	155,87	86,81	16.597
North Aegean	311,02	178,20	102,97	16.237
Crete	260,60	143,00	89,73	17.744

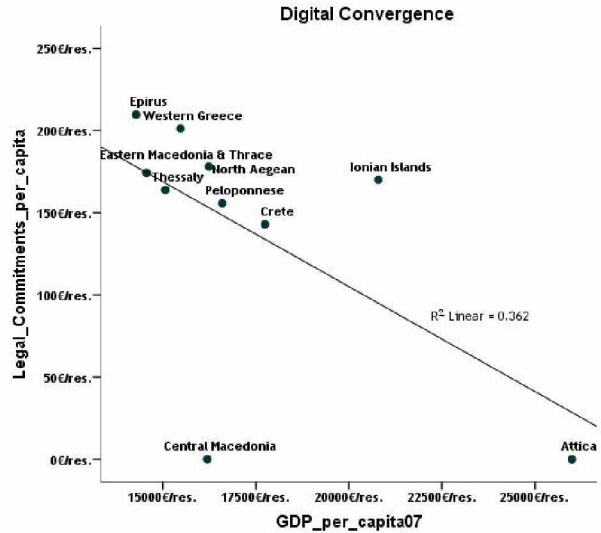
Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

Continuing, it is worth to mention that the following diagrams show graphically all the above. Additionally, the negative relation among the GDP per capita and the three stages is distinct from the downward tendency of the trend line. Furthermore, Crete and Peloponnese appear a slight difference in the Payments rates with Crete surpassing Peloponnese while the opposite is valid for the other two stages. Noteworthy, all the other indications remain the same in all stages.

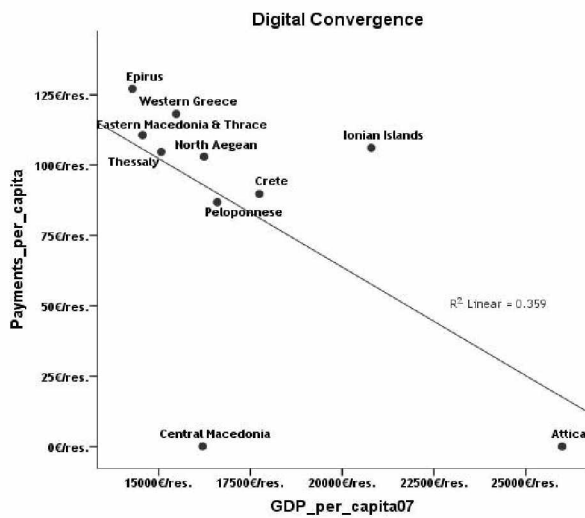
**Chart 13:** Regional per capita allocation of the Digital Convergence’s Budget



**Chart 14:** Regional per capita allocation of the Digital Convergence’s Legal Commitments



**Chart 15:** Regional per capita allocation of the Digital Convergence’s Payments



#### 4.2.5 DEVELOPMENT OF HUMAN RESOURCES

Human capital constitutes the most significant element of Europe’s active potential. The development of human resources, which is achieved through the continuous improvement of knowledge and skills, is a critical factor of a knowledge - based economy and it is co-

financed by the European Social Fund. Moreover, the OP's strategic goal is to improve the quality of people's life through the enhancement of the human capital, to achieve high employment levels and improve productivity, also to provide access to high-quality education and lifelong learning and to strengthen the social inclusion.

Even more, by the time the OP was approved it was strongly supplied with significant financial aid. With regard to this, it is mentioned that the total volume of the OP amounts to €3.390 billion (APPENDIX II – Table 7). The allocated per capita amounts, by region, as they are presented in the following table, depict the treatment that each region received through the application of this OP.

Subsequently, through a short assessment of the available data, the information that stems from the three columns in relation to the GDP per capita appears negative trends (Chart16, 17 and 18). More specifically, S. Aegean and Central Greece combine low finances with high GDP p.c. rates. Additionally, in the case of Crete, N. Aegean, Peloponnese, Central Macedonia and W. Greece, a gradual growth in the allocated funds is identified, as the GDP p.c. of the corresponded regions is reducing. What is more, Thessaly, Eastern Macedonia & Thrace along with the prevailing Epirus were primary treated, as being the less developed. On the other hand, Attica and Ionian Islands are the only regions that are overfunded based on their growth rates.

**Table 18:** Per capita amounts for Accession, Legal Commitments and Payments of the OP “Development of Human Resources”

<i>Region</i>	<i>Accession Budget € per capita</i>	<i>Legal Commitments € per capita</i>	<i>Payments € per capita</i>	<i>GDP_2007 € per capita</i>
Eastern Macedonia & Thrace	428,48	384,54	269,10	14.563
Central Macedonia	362,84	338,51	273,38	16.197
Western Macedonia	517,82	474,96	360,57	18.177
Epirus	562,12	514,76	397,18	14.285
Thessaly	407,14	374,36	267,43	15.070
Ionian Islands	341,73	304,84	218,92	20.791
Western Greece	357,07	333,48	237,03	15.478
Central Greece	169,77	149,06	106,86	18.304
Attica	223,56	196,56	139,90	25.992
Peloponnese	356,22	324,41	233,24	16.597
North Aegean	317,62	285,09	203,62	16.237
South Aegean	164,73	145,83	110,36	22.598
Crete	313,68	281,87	206,56	17.744

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

In fact, the graphs that appear down below present in detail the allocated resources of the OP. However, there is a difference identified and particularly it lies among the regions of Crete and N. Aegean. Indeed, as the Chart 18 shows, Crete precedes N. Aegean in the payments section, while in the two previous figures it was ranging in lower levels. All the rest indications are more or less the same.

Chart 16: Regional per capita allocation of the Development of Human Recourses Budget

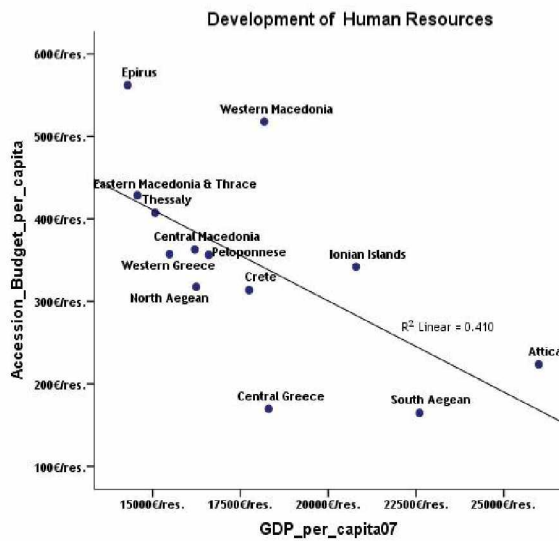


Chart 17: Regional per capita allocation of the Development of Human Recourses Legal Commitments

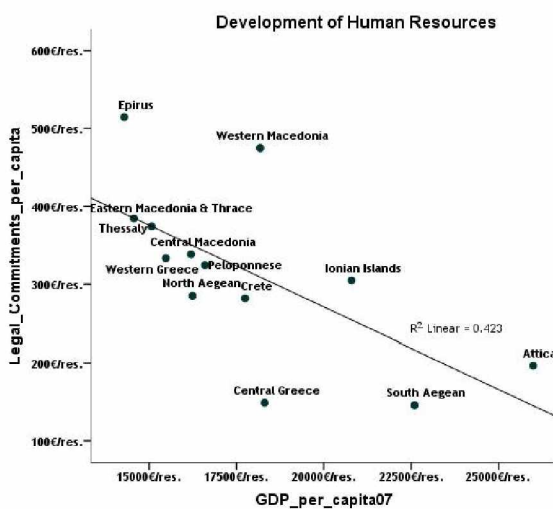
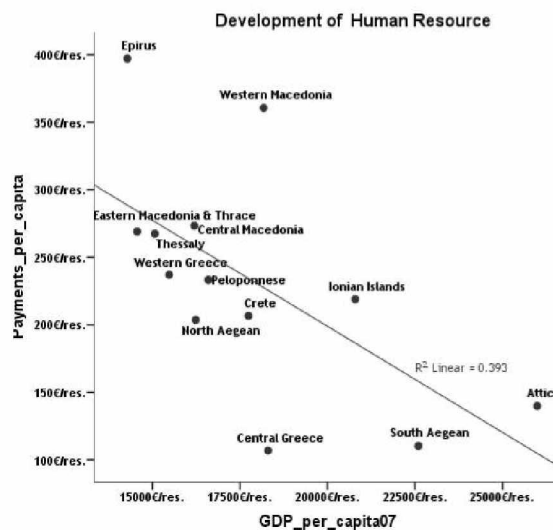


Chart 18: Regional per capita allocation of the Development of Human Recourses Payments



#### 4.2.6 EDUCATION AND LIFELONG LEARNING

The Operational Programme of “Education and Lifelong Learning”, like all the Greek OP of the 4<sup>th</sup> Programming Period that are co-funded by the European Social Fund (ESF), concerns all 13 of the nation's regions, thus it covers also the "Convergence" and "Regional Competitiveness and Employment" goals.

Moreover, the purpose of the National Strategy for education is to increase the quantity, quality and effectiveness of investments in human capital, in order to upgrade the Greek educational and professional training system.

Considerably, it is mentioned that the OP of Education and Lifelong Learning was implemented after receiving critical financial assistance which numerically attributes to € 2.011 billion, including also the public expenditure. In particular, the per capita allocation of the OP’s resources reveals important information regarding the regional distribution of the available amount.

Specifically, a general view that stems from the allocation of the funds (Table 19) indicates a negative correlation in the participation of the regions with their growth rates. Evidence for in support of this position, can be found in the figures down below, in which the trend line’s tendency verifies the above inference.

**Table 19:** Per capita amounts for Accession, Legal Commitments and Payments of the OP “Education and Lifelong Learning”

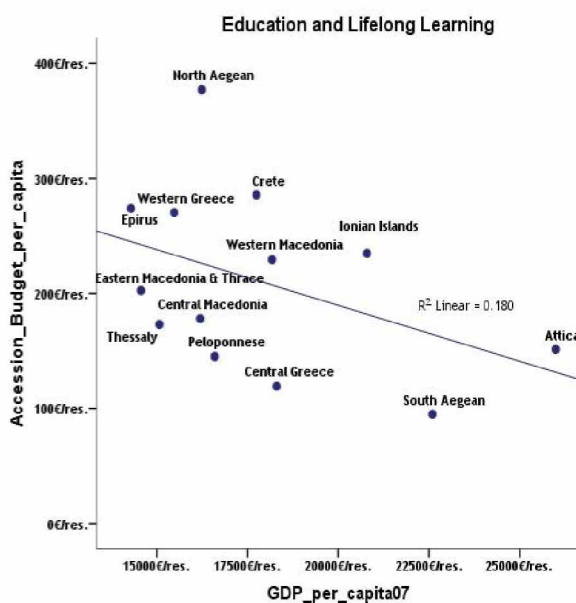
<i>Region</i>	<i>Accession Budget</i> € per capita	<i>Legal Commitments</i> € per capita	<i>Payments</i> € per capita	<i>GDP_2007</i> € per capita
Eastern Macedonia & Thrace	202,62	173,48	124,76	14.563
Central Macedonia	178,11	168,48	122,64	16.197
Western Macedonia	229,31	222,03	172,04	18.177
Epirus	273,94	233,40	154,96	14.285
Thessaly	172,99	145,53	101,36	15.070
Ionian Islands	234,81	205,78	144,33	20.791
Western Greece	270,27	230,58	158,24	15.478
Central Greece (Sterea Ellada)	119,37	116,89	81,94	18.304
Attica	151,29	144,83	101,28	25.992
Peloponnese	145,13	116,88	80,20	16.597
North Aegean	377,19	331,96	227,59	16.237
South Aegean	94,90	93,07	68,96	22.598
Crete	285,53	251,96	175,63	17.744

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

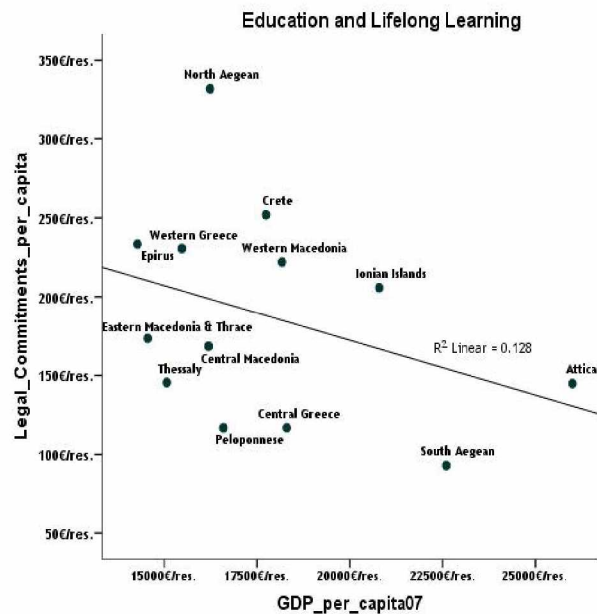
Noteworthy, in accordance with the diagram representing the allocated budget of the OP it is evident that S. Aegean and Central Greece combine low shares with high GDP per capita rates while Attica and Ionian Islands have both sizes relatively high. Similarly, W. Macedonia and Crete are also ahead in funding. In contrast, the regions of Peloponnese, Central Macedonia, Thessaly and Eastern Macedonia & Thrace appear relevant delay. However, Epirus, W. Greece and N Aegean indicate better performance with the latter prevailing in range.

Moving forward, in the case of Legal Commitments the location of the regions in the graph are almost the same as they are in the budget's, with the difference that Peloponnese and Central Greece are raging at the same level and in the stage of Payments Peloponnese this time is ahead of Central Greece. It is important however to note that there is a recognizable diversification between W. Greece and Epirus. More specifically, Epirus is more benefited in the two previous stages while in Payments is ranking below W. Greece.

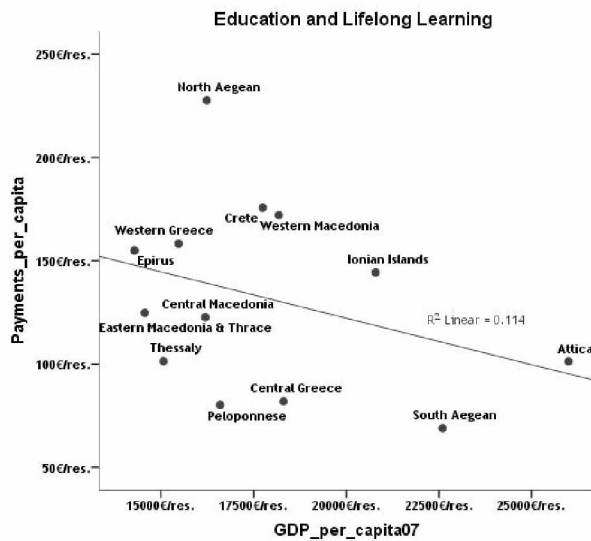
**Chart 19:** Regional per capita allocation of the Education and Lifelong Learning's Budget



**Chart 20:** Regional per capita allocation of the Education and Lifelong Learning's Legal Commitments





**Chart 21:** Regional per capita allocation of the Education and Lifelong Learning's Payments

#### 4.2.7 PUBLIC ADMINISTRATION REFORM 2007-2013

The Operational Programme “Public Administration Reform 2007-2013” is another one sectoral OP agreed for the NSRF programming period 2007-2013, reflecting part of the Greece’s choices to for the use of the European Funds in this period. Moreover, it is currently the most important project in terms of resources and targets committed in order to introduce major reforms in the Greek public administration.

With regard to the OP’s core strategic goal, it constitutes a comprehensive set of complementary interventions which are expected to address the main shortcomings of the Public Administration, regarding the basic administrative capacity factors (human resources, regulatory framework, structures and systems) and in terms of shaping public policies and also in the level of their implementation by the departments of Public Administration.

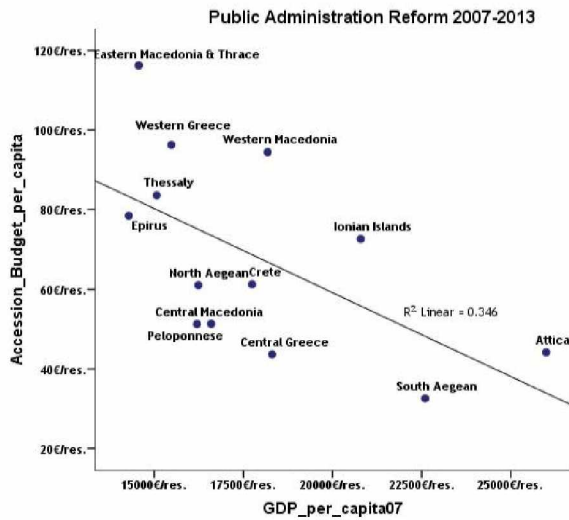
The total co-financed budget, approved and applied for the implementation of the OP, is estimated to be € 652 million (APPENDIX II-Table 9) of which an amount corresponds to the national contribution. The following table represents the per capita spread of the OP's finances at regional level though which is noted that in filed that concerns the integration budget, S. Aegean was given the lowest shares, Attica and Central Greece are raging slightly higher while Ionian Islands and Western Macedonia, received higher proportions. However, all these five regions acquire comparatively the highest GDP per capita rates. Additionally, Peloponnese and Central Macedonia are underfunded as they have both rates low, and Crete and N. Aegean are relatively better treated. On the other hand, Epirus, Thessaly, W. Greece and Eastern Macedonia & Thrace combine lower GDP per capita rates with high financial support. Chart 22 also illustrates graphically and more descriptively all the above.

**Table 20:** Per capita amounts for Accession, Legal Commitments and Payments of the OP “Public Administration Reform 2007-2013”

<i>Region</i>	<i>Accession Budget</i> € per capita	<i>Legal Commitments</i> € per capita	<i>Payments</i> € per capita	<i>GDP_2007</i> € per capita
Eastern Macedonia & Thrace	116,27	98,89	73,45	14.563
Central Macedonia	51,33	44,74	33,62	16.197
Western Macedonia	94,43	85,59	61,21	18.177
Epirus	78,44	67,02	44,90	14.285
Thessaly	83,57	70,97	53,61	15.070
Ionian Islands	72,63	62,87	41,63	20.791
Western Greece	96,24	80,34	58,06	15.478
Central Greece (Sterea Ellada)	43,71	39,57	29,67	18.304
Attica	44,22	37,65	28,06	25.992
Peloponnese	51,37	43,74	30,08	16.597
North Aegean	61,06	48,87	31,56	16.237
South Aegean	32,60	30,59	19,71	22.598
Crete	61,28	53,21	39,29	17.744

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

Chart 22: Regional per capita allocation of the Public Administration Reform's Budget



Further down, looking into the figures regarding the OP's Legal Commitments and Payments there can be noted some changes in the scattering of the regions. Specifically, it is evident that Western Greece notes lower Legal Commitments rate than Western Macedonia as in the previous graph the opposite was valid. Even more, N. Aegean tends to be ahead of Central Macedonia at the stage of budget and legal commitments, whereas it seems that in the filed of payments N. Aegean ranks below Central Macedonia. The rest of the regions are ranging, more or less, at the same levels as they have in the allocation of the budget figure.

Chart 23: Regional per capita allocation of the Public Administration Reform's Legal Commitments

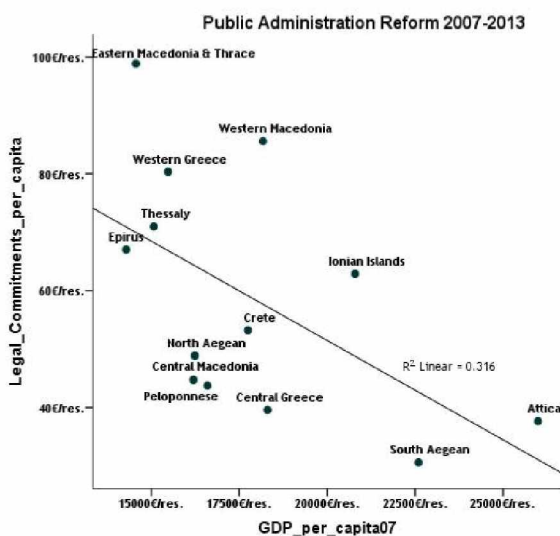
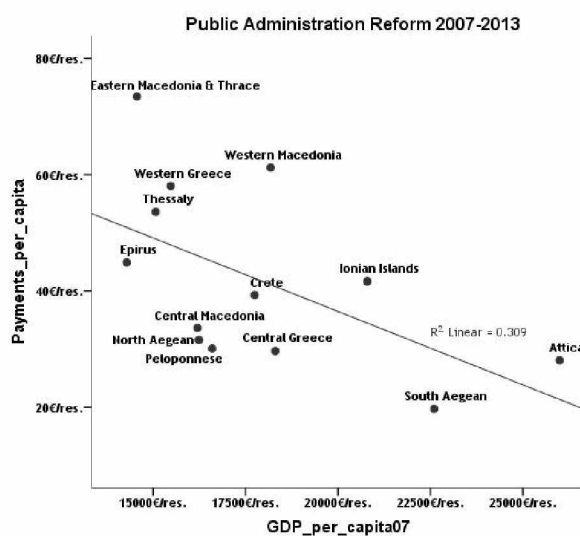


Chart 24: Regional per capita allocation of the Public Administration Reform's Payments



#### 4.2.8 TECHNICAL ASSISTANCE

The “Technical Assistance” OP for period 2007-2013 aims at covering the financing of preparatory, management, monitoring, evaluation, informative, publicity and control activities of the OP, as well as activities reinforcing management competence for the implementation of the actions of the Funds. The technical support actions of this new Operational Programme are additional to the technical support actions undertaken in the framework of the Sectoral and Regional Operational Programmes.

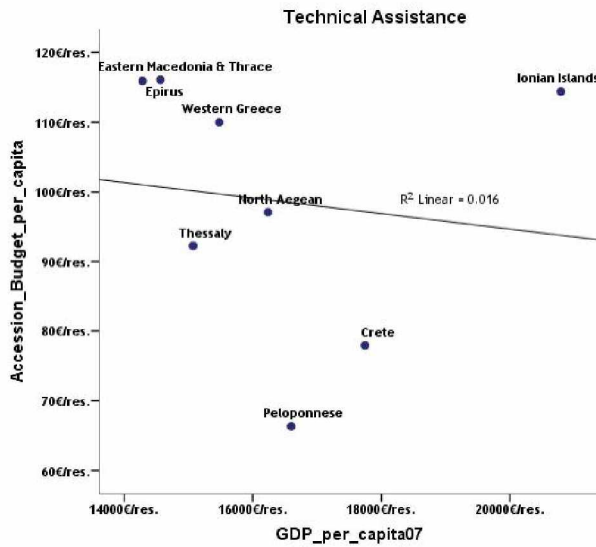
The present OP is submitted under the Convergence Objective with a contribution of the ERDF. What is more, the budget set for the launch and implementation of the technical Assistance’s actions amounts to € 389 million (APENDIX II-Table 10). Moreover, the per capita programming allocation of the amounts in the nation’s regions appears to be negatively related to their development rates, based on trend line’s tendency, in the following charts. Specifically, the data appearing in the table below and according to their graphical depiction, it is apparent that Ionian Islands, Epirus, Eastern Macedonia & Thrace along with W. Greece, have the leverage in all stages, except that at the same time Ionian Islands has the highest GDP per capita rate while the other regions are comparatively less developed. On the other hand Crete and Peloponnese might have relatively high GDP per capita rates but it seems that they received the lowest shares. However, Thessaly and N. Aegean are in a more profitable position than the two aforementioned regions.

**Table 21:** Per capita amounts for Accession, Legal Commitments and Payments of the “Technical Assistance” OP

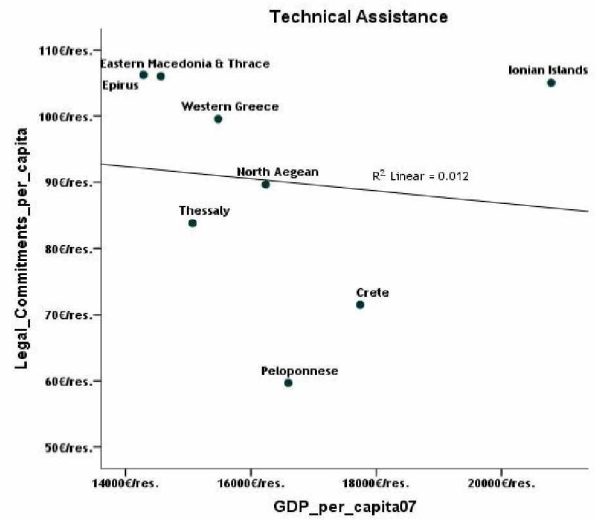
<i>Region</i>	<i>Accession Budget € per capita</i>	<i>Legal Commitments € per capita</i>	<i>Payments € per capita</i>	<i>GDP_2007 € per capita</i>
Eastern Macedonia & Thrace	116,08	106,03	84,49	14.563
Epirus	115,91	106,25	84,87	14.285
Thessaly	92,26	83,81	66,12	15.070
Ionian Islands	114,39	105,05	85,89	20.791
Western Greece	109,99	99,54	78,06	15.478
Peloponnese	66,33	59,69	46,76	16.597
North Aegean	97,11	89,63	72,36	16.237
Crete	77,93	71,49	57,70	17.744

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

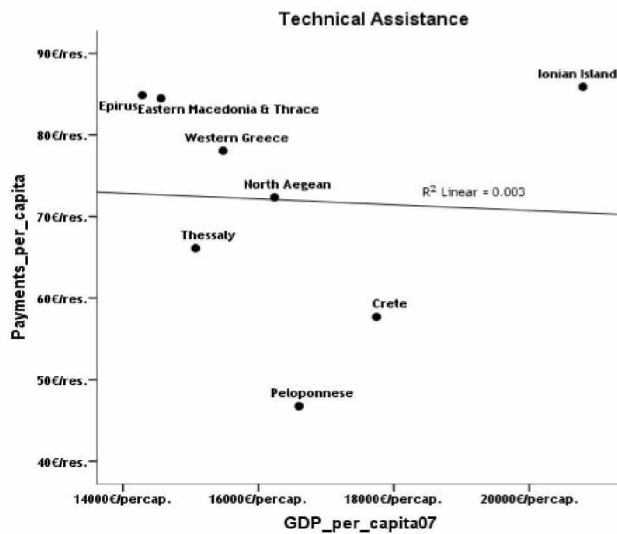
**Chart 25:** Regional per capita allocation of the Technical Assistance’s Budget



**Chart 26:** Regional per capita allocation of the Technical Assistance’s Legal Commitments



**Chart 27:** Regional per capita allocation of the Technical Assistance’s Payments



#### 4.2.9 NATIONAL CONTINGENCY RESERVE

The “National Contingency Reverse” OP, is a form of intervention designed to deal with unexpected financial difficulties, in local or sectoral level, linked to economic and social restructuring or to the consequences of the opening up of trade. In accordance with the

National Strategic Reference Framework (NSRF), the National Contingency Reserve is applicable to the 'Convergence' Objective Regions, namely 8 Regions that fulfill the conditions of this objective and 3 regions eligible for transitional support in the framework of the convergence objective.

Moreover, regarding the economic reinforcement for implementation, the ESF constitutes the main source of the OP's funding. Noteworthy, the total amount of the public expenditure, with the national contribution included, is estimated to be € 269 million (APENNDIX II-Table 11). Further, evaluating the operation of the OP in the treated regions, the obtainable budget was distributed, with the best possible way, so as to foster growth in the less developed areas.

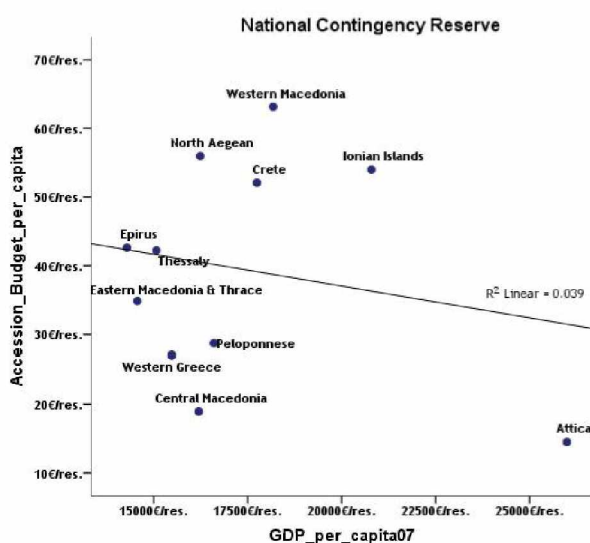
Specifically, from the table below it is evident that Attica concentrates the lowest proportions of the per capita allocation of the funds, at all stages, considering the fact that exceeds in development, than any other Greek region. Ionian Islands on the other hand, combine high GDP per capita with comparatively high amounts of budget, legal commitments and payments. Following, Crete, N. Aegean and Western Macedonia appear signs of better performance, with Western Macedonia achieving better results than all the other treated regions. Instead, Peloponnese, Central Macedonia and Western Greece note reduced shares in every section, while in the regions of Epirus, Thessaly and Eastern Macedonia & Trace significant allocated financial support is observed.

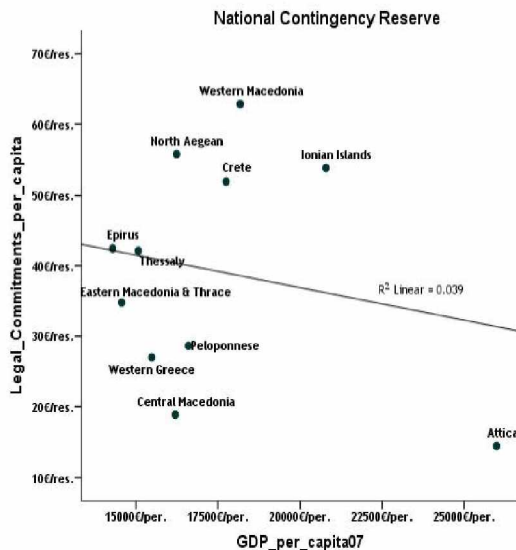
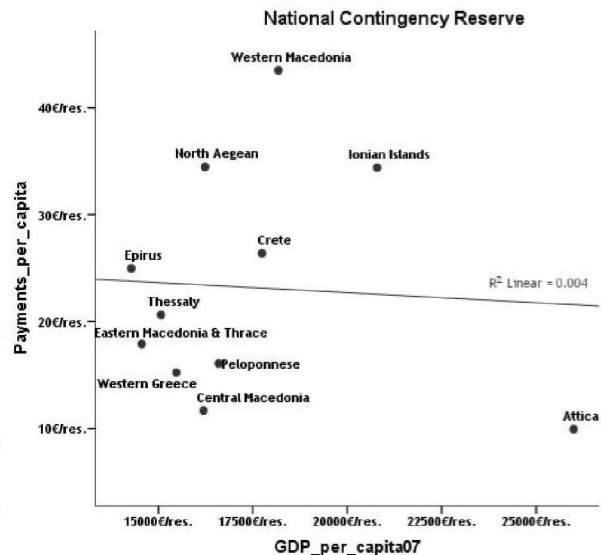
**Table 22:** Per capita amounts for Accession, Legal Commitments and Payments of the “National Contingency Reverse” OP

<i>Region</i>	<i>Integration Budget</i> <i>€ per capita</i>	<i>Legal Commitments</i> <i>€ per capita</i>	<i>Payments</i> <i>€ per capita</i>	<i>GD_2007</i> <i>€ per capita</i>
Eastern Macedonia & Thrace	34,87	34,77	17,90	14.563
Central Macedonia	18,96	18,86	11,67	16.197
Western Macedonia	63,16	62,83	43,51	18.177
Epirus	42,63	42,47	24,98	14.285
Thessaly	42,22	42,13	20,63	15.070
Ionian Islands	53,98	53,75	34,40	20.791
Western Greece	27,06	26,97	15,23	15.478
Attica	14,51	14,46	9,94	25.992
Peloponnese	28,73	28,62	16,09	16.597
North Aegean	55,94	55,72	34,47	16.237
Crete	52,08	51,97	26,38	17.744

Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

Furthermore, the per capita distribution of the OP’s funds, by region, is depicted in detail, in figures (Chart 1, 2 &3) where the tendency of the trend line is negative (namely it has downward direction), which indicates negative relation between the allocated amounts and the GDP per capita rates. Consequently, all the observations made earlier according to the data table, can also be seen graphically. The only distinctive diversification can be noticed in the Chart of Payments where all regions note reduced rates, though they maintain their rank, but in the case of Crete and Thessaly the decrease is more intense.

**Chart 28:** Regional per capita allocation of the National Contingency Reverse’s Budget

**Chart 29:** Regional per capita allocation of the National Contingency Reverse's Legal Commitments**Chart 30:** Regional per capita allocation of the National Contingency Reverse's Payments

#### 4.3 REGIONAL OPERATIONAL PROGRAMMES (ROPs)

In the previous chapter it was referred that for the implementation of the country's development planning during programming period 2007-2013, Greece was divided into five regions, which correspond to five Regional Operational Programmes (ROP), as follows:

- ROP Macedonia - Thrace
- ROP Western Greece – Peloponnese – Ionian islands
- ROP Crete and Aegean islands
- ROP Thessaly - Mainland Greece – Epirus
- ROP Attica

Initially, speaking about the “Macedonia-Thrace” ROP it provides development assistance in the geographic unit of 3 administrative regions, namely Central and Western Macedonia, which are phasing out regions and Eastern Macedonia & Thrace, which is purely a convergence Region. Though, there is a differentiation in the financial capabilities of the two Regions in accordance with the regulations governing the 4th



Programming Period as Central and Western Macedonia finance all their development assistance through this program of Macedonia-Thrace 2007-2013 and may be additionally financed only through the Cohesion Fund, while the region of Eastern Macedonia & Thrace is financed through the specific program, but also through sectoral programs developed across the country.

As for the Regional Operational Programme of Western Greece-Peloponnese-Ionian Islands, its territorial section constitutes of these three homonym regions that belong to the Convergence Objective 1 and all three of them represent GDP less than 75% of the community average.

With regard to “Crete and Ionian Islands”, this ROP provides business development assistance to three geographical areas, which are Crete, North Aegean and South Aegean. Additionally, this island area consists of over 90 islands which have specific difficulties and opportunities and as a consequence they form a complicated developmental environment at European and Mediterranean level.

Following, as far as the ROP of “Thessaly-Mainland Greece-Epirus” is concerned, the nominated area for its application is the geographical unit of these three regions, Thessaly, the Mainland or else Central Greece (Sterea Ellada) and Epirus. The purpose of the particular ROP is to reinforce the competitiveness, attractiveness and openness of the economy by improving social and spatial cohesion. Thus, it aims at the adoption of sustainable methods in the production sector and also at the management of natural and constructed environment.

Lastly, Attica Regional Operational Programme is the fifth in the row of the Greek ROPs, which, together with the 9 Sectoral and the 12 European Territorial Cooperation Programmes<sup>24</sup> compose the Greek National Strategic Reference Framework for 2007-2013. Even more, the ROP of Attica is a single funded programme, the interventions of which are funded by the ERDF. Additionally, the goal of the Attica ROP is to empower

---

<sup>24</sup> The European Territorial Cooperation Programmes are not under examination in the context of the dissertation.

the regions international role and to designate it as a European Metropolis in the South and East European and Mediterranean regions.

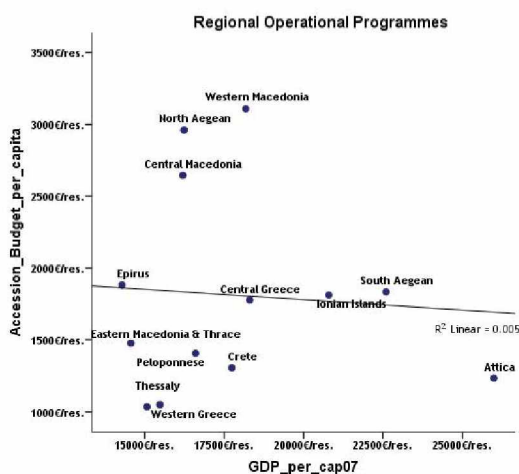
Remarkably, at this point it should be noted that there is a significant accumulated budget of € 17.942 billion (41.8% of the total NSRF) (APPENDIX II-Table 12), which derives from the total Structural Fund's resources, offered for the attainment of the ROP's implementation. Specifically, the available budget was distributed by region and its allocated amounts are presented here in per capita terms (Table 23), in order to evaluate in a more detailed manner the effectiveness of the ROPs

Specifically, according to the economic facts appearing in the table below, the per capita allocation of the funds is correlated with the development rates of the regions, in a relatively negative way. However, a more detailed analysis can derive from the examination of the data presented in the charts. As a matter of fact, it is observed that the region of Attica appears considerably low budget and at the same time really high GDP per capita. In the opposite side are the regions of Western Greece and Thessaly which have both sizes quite low, while Crete, Peloponnese and Eastern Macedonia & Thrace are slightly more benefited. Therefore, better performance is identified in the case of Epirus, Central Greece, Ionian Islands and S. Aegean, yet the three last regions acquire significantly increased GDP per capita rates. Last but not most benefited tend to be the regions of Central Macedonia, N. Aegean along with the prevailing Western Macedonia.

**Table 23:** Regional per capita allocation of the Regional Operational Programmes funding

<i>ROPs</i>	<i>Region</i>	<i>Accession Budget € per capita</i>	<i>Legal Commitments € per capita</i>	<i>Payments € per capita</i>	<i>GDP_2007 € per capita</i>
Macedonia &Thrace	Eastern Macedonia & Thrace	1476.51	1266.69	807.02	14.563
	Central Macedonia	2646.53	1930.86	1008.89	16.197
	Western Macedonia	3109.96	2064.05	1357.97	18.177
Western Greece- Peloponnese- Ionian Islands	Ionian Islands	1811.54	1531.64	854.29	20.791
	Western Greece	1050.60	918.40	541.94	15.478
	Peloponnese	1406.96	1090.85	661.09	16.597
Crete and Aegean Islands	North Aegean	2961.54	2168.29	1390.89	16.237
	South Aegean	1834.10	1675.09	1164.17	22.598
	Crete	1306.02	987.18	677.37	17.744
Thessaly- Central Greece - Epirus	Epirus	1881.15	1532.98	1163.71	14.285
	Thessaly	1036.34	831.73	593.64	15.070
Attica	Central Greece (Sterea Ellada)	1776.14	1595.30	1102.87	18.304
	Attica	1234.26	962.69	609.25	25.992

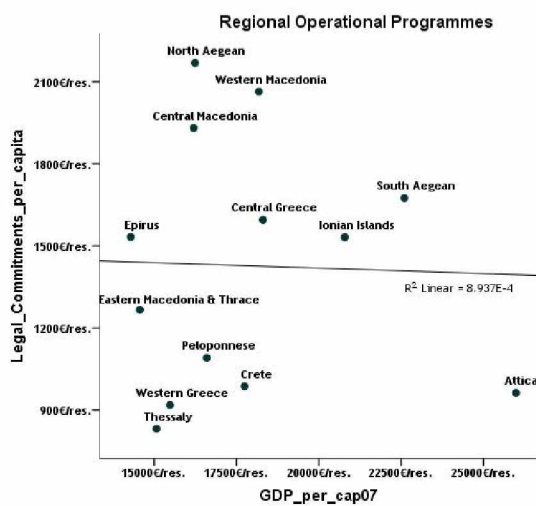
Source: OPS: Helpdesk, Table: Sectoral & Regional Operational Programmes.xls and personal data processing for the current document

**Chart 31:** Regional per capita allocation of the ROP's Budget

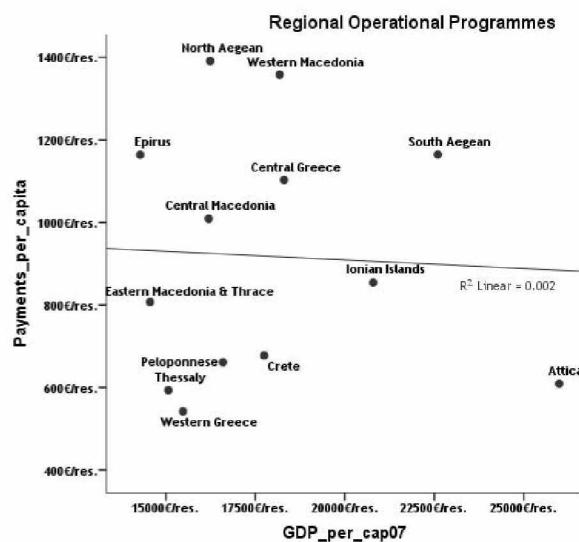
Going further, in the charts concerning the Legal Commitments and Payments of the ROPs, there are noticeable changes in the positioning of the regions in the graphs. More specific, in the case of Ionian Islands and Central Greece, the latter notes rise in the first stage while Ionian Islands appear reduced rate. Also, N. Aegean surpasses Western and Central Macedonia in the per capita allocation of the commitments, while Thessaly is ranging below Western Greece.

In the Payments chart, on the other hand, S. Aegean and Central Greece exceed by far the region of Ionian Islands. Instead, Epirus notes higher rates in comparison to Central Macedonia which seems to have lower rate in this field. Crete as well, indicates higher rate than Peloponnese, and Thessaly appears to be ahead Western Greece which acquires the lowest price in the Payments stage. Nonetheless, the remaining regions preserve their initial positions without significant divergence.

**Chart 32:** Regional per capita allocation of the ROP's Legal commitments



**Chart 33:** Regional per capita allocation of the ROP's Payments



#### 4.4 CONCLUDING REMARKS

Summarizing, the question investigated during the implementation of the NSRF 2007-2013 was the inspection on the distribution of its resources in the Greek regions. During the above analysis, on the allocation of the NSRFs' funds in per capita terms, a first sense on the spatial destination of the resources was formed through the examination of data concerning the Accession Budget, the Legal Commitment and Payments, by region. In this programming period 2007-2013 the data of the regional planning in Greece has changed in comparison to the previous programming periods, since some Greek regions

have already exceeded the eligibility threshold, based on the 75% of the community average. These regions are Attica, South Aegean and Ionian Islands.

A general view from the programming allocation of the NSRFs Funds, which stems from the trend line of the graphs, shows that there is negative relation between the development level of the regions (GDP per capita) and the participation degree of the regions in the funds of the NSRF. Namely, the regions with low GDP per capita tend to have proportionally greater participation in the allocation of the programme funds. This also adheres to the Cohesion policy principle which calls for the prior treatment of the lagging regions for the reduction of the disparities among the regions.

Through the examination of the regional implementation of the Sectoral and Regional Operational Programmes it seems that significant financial support was given to the majority of the less developed regions of the country. However, it is evident that some regions participate differently in the OP, in all three stages. With regard to this, it is worth to mention that there have been some exceptions, meaning that there were regions that were overfunded despite that their GDP per capita was above the average and some others underfunded while their growth standards were too low. This signs may be ought to geopolitical reasons, bad administration in the distribution of the funds or delay in the utilization of the resources, which might also conduce to the increase of the regional disparities. Another important issue remains the absorption capacity of the Greek regions which might be also a reason why some regions still are under the Convergence objective. All in all, although slight displacement of the priorities can be notices, yet there is no distortion in the context of the strategic plan's initial programming.

## CONCLUSIONS

Assessing the course of the Cohesion Policy, it is evident that several key political actors affected and they will continue to do so, in the future operation of the European Cohesion Policy. In this context are included the integration process itself, especially the commitments to the political and monetary union, enlargement of the Union and alterations in the international economic environment.

Notably, the EU enlargement has had profound impact on the timing and nature of the policy's reformation. Specifically, it was the entrance of Ireland and UK which originated the creation of the ERDF, a development instrument set for addressing the industrial development challenges faced by its regions. Also, the accession negotiation with Portugal and Spain in the mid-80s provided the basis for the adoption of the Integrated Mediterranean Programmes and had conclusive impact on the major reform of 1988, which required significant economic upgrade in order to confront with severe regional disparities in the Union.

The European Union was strongly engaged to expand its policy capacity, notably focusing on the reinforcement of the Single European Market with a single currency. However, the Member States, through the Maastricht Treaty, took action over the establishment of a common currency. At the same time the interference of the EMU in the support of the disadvantaged regions is vague and the width of the disparities would continue to expand according to some theoretical approaches. A rising issue concerns the allocation not the generation of funding, since Member States has reached an agreement on the limit of the Union's budget.

On the other hand, the vital bonding among the Cohesion policy and the two economic projects of the EU, the Economic and Monetary Union and the internal market, led to the set up of the Cohesion Fund in 1992, as a compensatory policy for the poorer Member States, capable of relieving the budget stiffness. Similarly, the introduction of the internal

market program by Jacque Delor was necessitated for the strengthening of the Cohesion Policy.

Through the integration process and the continuing enlargement of the Union the function of Commission was questioned intensively. Despite this, Commission turned out to be a critical force in the creation of a prosperous regional policy and the architect of reforming proposals in terms of the structure of the budget and the design of the cohesion policy regulations. Furthermore, with the introduction of the ERDF in 1979 Commission gained the opportunity to experiment on programmes instead of projects and had direct interaction with the national authorities.

No less, the uncertainty about the future of the Regional Policy both in terms of the volume of funding and the priority of the policy objectives remained an issue that should be solved. What is more, the changing economic environment was an additional concern as the increasing competitiveness, the globalization and the shift towards a service-oriented society, are all factors contributing to the difficulties of the peripheral regions which are disadvantaged or lagging behind.

Noteworthy, the Member States have made a commitment to the existing less developed regions to assist and impel them to face integration, diminishing the threat of losing the leverage of the Structural Funds. However, the onus was mostly on the effectiveness, efficiency and transparency of the way the Structural Funds are applied.

In our country Greece, Regional Policy started off after the destructive World War II, in the form of legislations and individual actions in the national development programmes of economic and social development. The Greek Regional Policy gradually gained its strength and consolidated with the influence of the EU Cohesion Policy which later on seems to affect significantly the Greek structures, policies and politics. Especially, the last two decades the country's Regional Policy is being formed and practiced exclusively in the framework settled by the regulations and the general procedures of the Community's Regional Policy.

Under the Europeanization pressures, the Greek political actors adopted existing processes, politics and institutions without making changes in their essential features. On the contrary the new policies and institutions were incorporated in the existing ones without changing their initial formation of the latter.

The “first wave” of territorial reforms following the Greece’s entry in the EU, was the launch of the Integrated Mediterranean Programmes (IMPs). The submission of the first IMP brought along the division of the country in 13 regions (1989) and later on constituted the base for the Community Support Frameworks. With no surprise, the Greek regions for the first ten years of their existence held only the management of the Regional Operational Programmes of the Community Support Frameworks for Greece.

A general theoretical perspective on the effectiveness of the first CSF (1989-1993) argues on its limited spectrum as the cohesion on the internal part of the OP was low and the hierarchy of the priorities did not correspond to the allocation of expenditure. Also, the confined impact of the CSF on the growth of GDP, the dispersion of the resources among many sectors along with the fact that the implementation of the programme was left entirely to devices of the pre existing administrative system are some of the factors that undermined the performance of the Greek economy. Not to mention, the increasing rate of regional disparities and the inertia that characterized every activity of the programme during this period.

However, the second CSF (1994-1999) was ascertained to be more successful than the initial CSF. First of all, the procedures were made stricter and the axis of regional development lost its specific importance ought to the reduction of its resources. Despite the fact that the displacement of the resources was forbidden, there were signs that indicated the transfer which meant that the proper programming, the effective administration there and the exploitation of the available funding had weaknesses, which though, eliminated over time. Regardless the shortcoming and deficiencies, significant efforts were made for the adoption of objective procedures for programmes integrated in



the OPs. Overall, the second CSF has succeeded in both economic and territorial cohesion, with relevant reduction in the regional disparities.

During the Third CSF (2000-2006) the European regulatory framework became more binding. Even more, the regulations of the Structural Funds formed a framework of partnership between the Greek country and the Council. Europe became more distant in the project selection and the establishment of the rule  $n+2$  years for the utilization of the resources, aimed at rendering the participants more responsible over the administration and distribution of the findings. However, despite the establishment of semi-independent authorities, the introduction of tight control mechanisms and the threat of penalties in case of potential failure, established institutions and interests were still powerful. Specific attention during the implementation of the programme was also given on the coordination of the 11 Sectoral and 13 Regional Development programmes. Noteworthy, the growth rate of the Greece tend to rise over the EU average taking the country one step closer to the EU cohesion.

In the current 2007-2013 programming period, Greek regions for the first time in 20 years, qualified at different funding objectives (convergence, phasing-in, and phasing-out). The application of the National Strategic Reference Framework was a thrust in the efficacy of the Greek economy. Greece participated actively in the negotiations on the financial perspective and the funds that it secured influenced the country's fiscal and development planning. During the 2007-13 programming period, five ROPs cover five larger territorial units rather than the 13 regions while the Sectoral Operational Programmes were reduced to 8 (plus the OP of the National Contingency Reserve) and 12 Territorial Co-operational Programmes were implemented. However, despite Greece remained high on the list of recipient countries it was also considered to be a state with the most unitary systems of government across Europe, without a tradition in regional governance. At the same time, signs of weak management and implementation structures and delays as well, in the absorption of funds, inherent the possibility of Greece failing in fulfilling its policy objectives.

At this point is important to mention that in order to have an insight on the effectiveness of the NSRF 2007-2013, only the theoretical perspective on the matter was not enough. Although, there are several empirical approaches and formal records on the course of the Greek Regional Policy during the several former programming periods, little has been said over the important issue of the allocation of the funds. However, in this dissertation has been made an extensive analysis on the allocated resources of the Greek NSRF in regional level, defined in terms of GDP per head. This examination has given a quantitative dimension on the course of the implementation of the programme.

More specific, the first step of the data analysis, concerning the NSRF per capita, as a whole, shows that owing to the redistributive character of the programme, priority has given to the lagging regions. The initial indication comes from the negative relation of the development level of the regions and their participation in the NSRF funds. That means that regions with low growth rate tend to have proportionally major participation in the allocation of the funds and this is evident not only in the Budget section but also in the Legal Commitments and the Payments. This additionally certifies the conformation of the programme with the Cohesion Policy principle.

However, there were noticed some exceptions from the general rule. For instance, regions such as Central Greece, Ionian Islands and Western Macedonia which have at the same time development rate and participation high, somehow they receive more funding. A possible explanation for the Ionian Islands could be the fact that it constitutes an island area probably with more needs, while Central Greece is favored because of its spatial position. Therefore, Central Macedonia and Eastern Macedonia & Thrace are underfunded, based also on their growth rate.

In the examination of the allocated funds of the Sectoral Operational Programmes it was evident that the “Accessibility Improvement” OP received 24% of the total programming budget, a fact that corresponds to the real needs of the country for transport infrastructure. Another significant identification was made in the case of the “Competitiveness and Entrepreneurship” where the relation between the participation of the regions in the OPs

funds and their GDP per capita, is positive which signifies that there is a premium trend of the more developed regions.

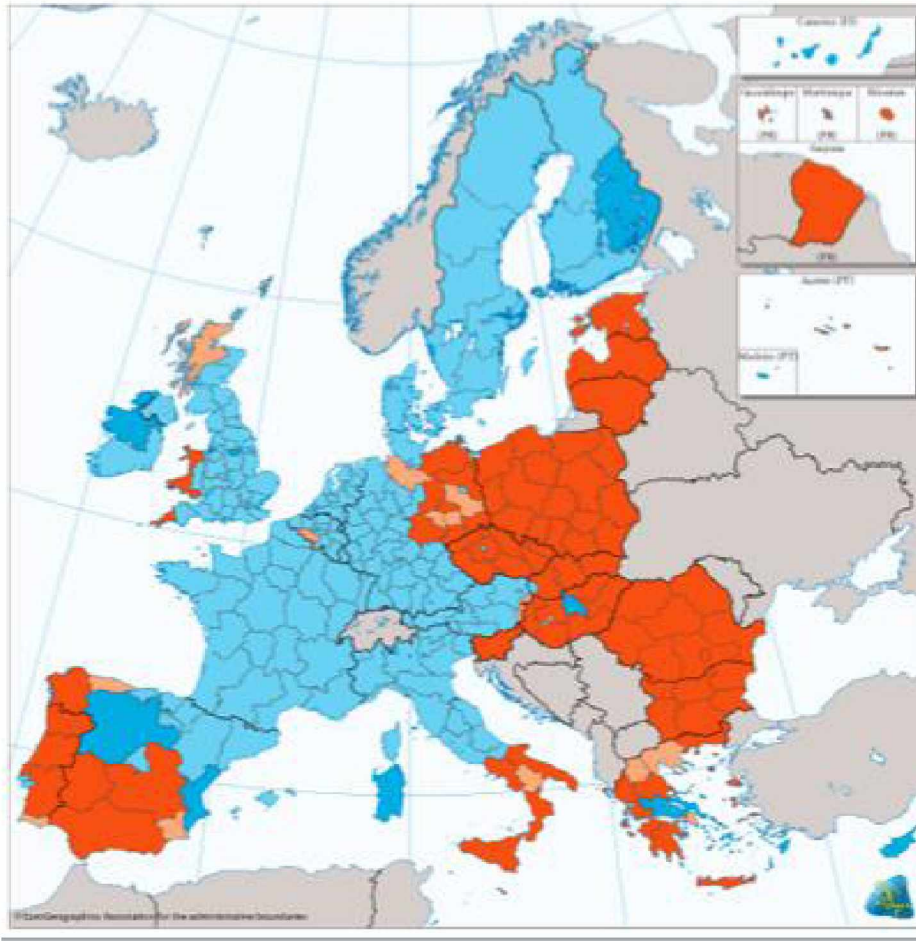
Noteworthy, in the per capita distribution of resources of the rest Sectoral Operational Programmes the inverse relationship between the level of development and the level of funding, is still observed, which shows the distributive character of the Sectoral OPs. Significantly, it can be said that in the “Digital Convergence” OP the allocation of the funds is evidently more even (based on the development index) than in any other Sectoral or Regional OP. Also, it is notable that special attention was given to the Convergence regions, a fact that is evident almost in every OP’s allocated funds, with Epirus, Eastern Macedonia & Thrace, Ionian Islands and Western Greece to be more advantage. Yet, occasionally the promotion of already developed regions such as Central Greece (Phasing-in region) and Western Macedonia (Phasing-out region) is also distinct (see also Environment and Sustainable development, National Contingency Reverse). Additional to this, the inequalities that appear systematically in the Sectoral Operational Programmes, where the participation of the regions is disproportioned, might widen to the development gap among the Greek regions. Greece in the past was characterized by poor administration capacity on the allocation of the funds, a disadvantage that could justify the current the aforesaid phenomenon.

The view of the regional per capita distribution of the ROP’s funds follows the same pattern as the Sectoral Operational Programmes, only that in this case the range of the programmes is confined in five regional fields. At this point, it should be mentioned that an essential support was given the “Macedonia-Thrace” ROP, since Western Macedonia possesses the largest share, while Thessaly and Western Greece which belong to other ROPs (“Thessaly- Central Greece – Epirus” and “Western Greece- Peloponnese- Ionian Islands” respectively) appear reduced participation.

With regard to the participation in the commitments and payments, there are subtle differences distinguished in the performance of the regions, through the lower prices appearing in both columns in comparison to the allocated budget. What is more it is

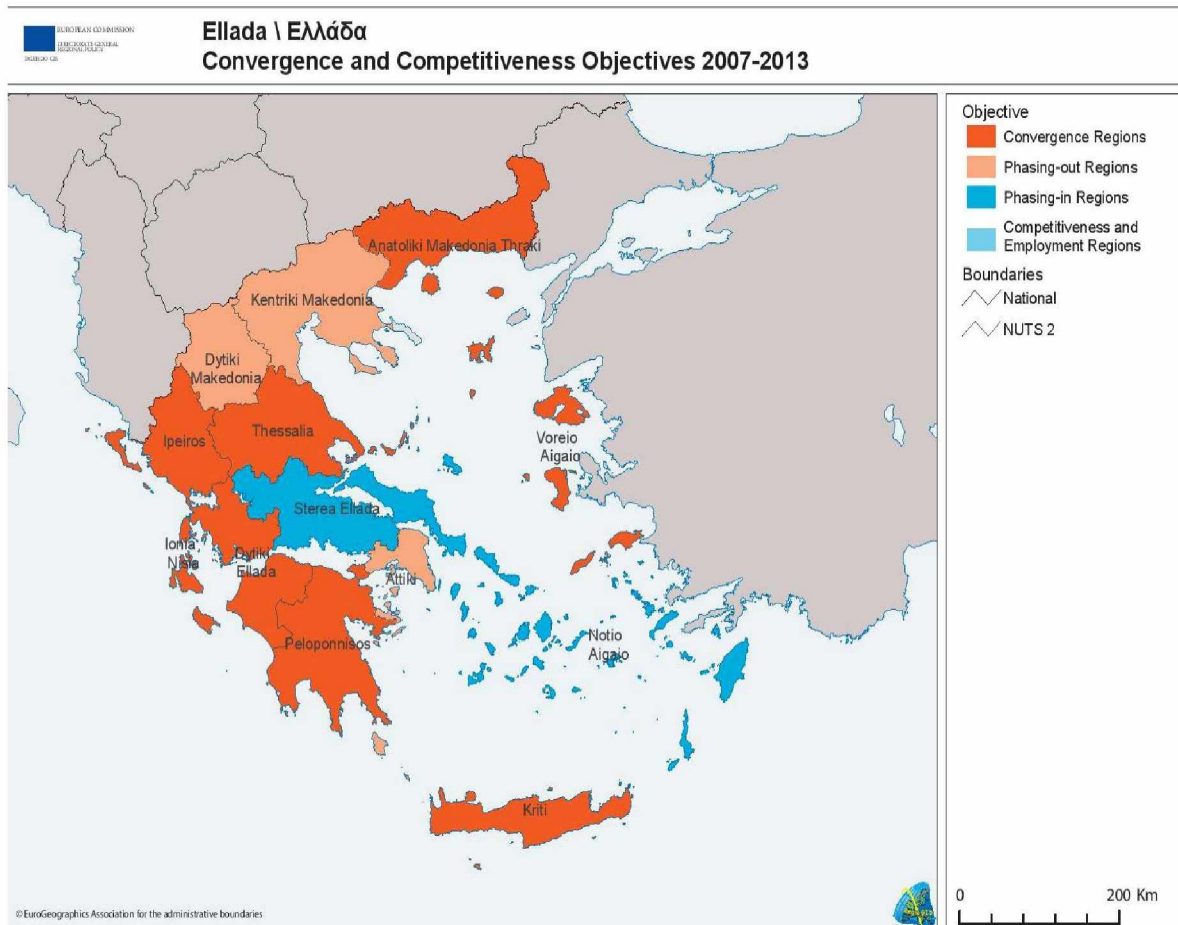
evident that the available resources have not been fully absorbed, since only a small percentage of the funds were used. This delay can be explained firstly, by the fact that the current programming period examined, has not been completed yet, which means that some more complementary activities need to be done in order for the regions to utilize the total amounts corresponding to their funding and secondly, the capacity of the regions to absorb the resources effectively, could also affect the current situation. It would be wiser, in the near future, to examine this period not only in terms of the 2007 GDP per capita but also in 2011 GDP per capita and in relation to data of the completed programming period, so that this ex-post evaluation to present the implementation of the programme in full- length.

In general, the negotiations between the Commission and the Greek authorities resulted in an improved and simplified system for Structural Funds. The renewed cohesion policy and its instruments gave emphasis to the development and growth of the less advantaged Greek regions. Apparently, it could be argued that the Greek NSRF 2007-2013 has been implemented following to its initial plan but it is undeniable that there are still second thoughts on this subject. However, what can be confirmed with certainty is that the Greek economy has been strongly reinforced during the current period.

**APPENDIX I – MAPS****Convergence Objective**

- Convergence Regions
- Phasing-out Regions
- Phasing-in Regions
- Competitiveness and Employment Regions

Map 1: 2007-13 programming period: Structural funds – eligibility of regions (adjusted from European Commission ([http://ec.europa.eu/regional\\_policy/sources/images/map/eligible2007/conv\\_comp\\_0713\\_gr.pdf](http://ec.europa.eu/regional_policy/sources/images/map/eligible2007/conv_comp_0713_gr.pdf))).



Map 2: 2007-13 programming period: Structural funds – Greek Region. Adjusted from European Commission ([http://ec.europa.eu/regional\\_policy/sources/images/map/eligible2007/conv\\_comp\\_0713\\_gr.pdf](http://ec.europa.eu/regional_policy/sources/images/map/eligible2007/conv_comp_0713_gr.pdf))

**APPENDIX II – DATA TABLES**

<b>Table 1: Total National Strategic Reference Framework 2007-2013 in Regional Level (Sectoral &amp; Regional OPs)</b>				
National contribution is included. Amounts: In billion Euros. At current prices.				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	2.410.676.129	1.976.831.832	1.365.053.763	605826
Central Macedonia	7.368.463.164	5.580.874.430	3.289.609.919	1885587
Western Macedonia	1.585.125.999	1.221.547.375	799.421.692	285002
Epirus	2.125.695.133	1.723.782.810	1.202.433.191	339721
Thessaly	3.748.907.997	3.058.384.556	2.165.162.806	737485
Ionian Islands	966.737.660	812.609.051	530.620.887	224061
Western Greece	6.073.466.721	4.859.391.348	2.655.255.116	682604
Central Greece (Sterea Ellada)	3.390.597.478	2.753.716.962	1.748.115.388	559457
Attica	7.042.735.041	5.600.048.911	3.675.708.074	3787386
Peloponnese	3.605.806.446	2.733.940.480	1.721.013.447	584989
North Aegean	1.059.794.437	810.924.500	546.656.130	198894
South Aegean	1.020.484.162	864.990.003	595.097.194	366837
Crete	2.511.687.571	1.957.532.511	1.326.019.354	682928
<b>Total NSRF</b>	<b>42.910.177.938</b>	<b>33.954.574.769</b>	<b>21.620.166.961</b>	<b>10.940.777</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

<b>Table 2: Total Sectoral Operational Programmes in Regional Level</b>				
National contribution is included. Amounts: In billion Euros. At current prices.				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population</b>
Eastern Macedonia & Trace	1.516.170.636	1.209.437.613	876.139.417	605826
Central Macedonia	2.378.204.582	1.940.070.420	1.387.257.445	1885587
Western Macedonia	698.781.214	633.288.476	412.397.942	285002
Epirus	1.486.629.841	1.202.998.610	807.096.683	339721
Thessaly	2.984.619.689	2.444.999.543	1.727.361.986	737485
Ionian Islands	560.841.083	469.429.094	339.208.676	224061
Western Greece	5.356323.979	4.232.486.181	2.285.322.830	682604
Central Greece (Sterea Ellada)	2.396.921.821	1.861.217.608	1.131.106.515	559457
Attica	2.368.121.288	1.953.955.215	1.368.250.872	3787386
Peloponnese	2.782.749.700	2.095.806.428	1.334.285.308	584989
North Aegean	470.761.803	379.663.669	270.015.508	198894
South Aegean	347.667.161	250.504.991	168.037.732	366837
Crete	1.619.772.442	1.283.359.029	863.426.060	682928
<b>Total</b>	<b>24.967.565.239</b>	<b>19.957.216.877</b>	<b>12.969.906.974</b>	<b>10.940.777</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics : ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

<b>Table 3: Environment – Sustainable Development</b>				
National contribution is included.				
Amounts: In billion Euros. At current prices.				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	245.640.293	141.746.851	92.215.067	605826
Central Macedonia	509.081.709	280.108.772	147.076.904	1885587
Western Macedonia	194.366.896	178.402.903	128265.395	285002
Epirus	179.487.710	84.908.203	55.022.784	339721
Thessaly	428.901.881	292.922.070	187.400207	737485
Ionian Islands	104.590.654	75.214.338	60604.350	224061
Western Greece	521.445.110	326.004.406	205.246.122	682604
Central Greece (Sterea Ellada)	631.891.512	370.140.845	224.764811	559457
Attica	657.259.172	419.192.106	282.491.408	3787386
Peloponnese	320.894.565	147.507.876	101.581.932	584989
North Aegean	60.320.823	32.487.103	23.796.837	198894
South Aegean	222.263.804	139.286.485	88.531.200	366837
Crete	236.655.617	145.598.869	94.121.684	682928
<b>Total</b>	<b>4.312.799.746</b>	<b>2.633.520.827</b>	<b>1.691.118.701</b>	<b>10.940.777</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

<b>Table 4: Accessibility Improvement</b>				
National contribution is included.				
Amounts: In billion Euros. At current prices				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	141.748.068	108.874.122	85.356.343	605826
Central Macedonia	716.434.732	583.950.375	407.931.954	1885587
Western Macedonia	246.564.261	213.943.607	102.494.438	285002
Epirus	596.576.347	505.227.476	317.400.718	339721
Thessaly	1.529.241.571	1294.781.282	937.952.804	737485
Ionian Islands	4.526.992	2.500.734	1.552.116	224061
Western Greece	3.679.980.067	2.941.407.368	1.404.563.748	682604
Central Greece (Sterea Ellada)	1.578.814.213	1.320.145.770	784.117.484	559457
Attica	68.704.111	44.424.227	28.409.811	3787386
Peloponnese	1.378.997.072	994.709.890	603.765.958	584989
North Aegean	11.521.744	9.143.225	7561.367	198894
South Aegean	18.202.507	12.358.024	6.496.824	366837
Crete	276.103.416	195.572.357	119.697.375	682928
<b>Total</b>	<b>10.247.415.101</b>	<b>8.227.038.457</b>	<b>4-807-300-940</b>	<b>10.940.777</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				



<b>Table 5 : Competitiveness and Entrepreneurship</b>				
National contribution is included.				
Amounts: In billion Euros. At current prices.				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	381.200.101	369.889.259	286.413.056	605.826
Epirus	221.593.252	214.144.694	151.342.167	339.721
Thessaly	216.113.903	207.750.097	149.341.286	737.485
Ionian Islands	201.714.003	189.514.238	135.610.445	224.061
Western Greece	319.216.654	301.451.880	221.682.049	682.604
Peloponnese	544.906.227	527.010.373	340.437.997	584.989
North Aegean	156.281.683	141.233.140	104.884.488	198.894
Crete	389.184.331	359.312.744	243.063.119	682.928
<b>Total</b>	<b>2.430.210.154</b>	<b>2.310.306.425</b>	<b>1.632.774.607</b>	<b>4.056.508</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

<b>Table 6 : Digital Convergence</b>				
National contribution is included.				
Amounts: In billion Euros. At current prices.				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	203.360.342	105.651.545	67.015.742	605.826
Central Macedonia	127.065	127.065	127.065	1.885.587
Epirus	124.440.583	71.259.317	43.187.646	339.721
Thessaly	221.715.294	120.915.486	77.180.315	737.485
Ionian Islands	66.830.422	38.121.832	23.774.292	224.061
Western Greece	248.209.402	137.395.240	80.698.959	682.604
Attica	6.266	6.266	6.266	3.787.386
Peloponnese	159.004.172	91.180.905	50.780.420	584.989
North Aegean	61.860.278	35.442.297	20.480.775	198.894
Crete	177.970.155	97.657.052	61.281.165	682.928
<b>Total</b>	<b>1.263.523.979</b>	<b>697.757.005</b>	<b>424.532.645</b>	<b>9.729.481</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

**Table 7: Development of Human Resources**  
National contribution is included.  
Amounts: In billion Euros. At current prices

Region	Total Accession Budget	Total Legal Commitments	Total Payments	Real population 2011
Eastern Macedonia & Trace	259.581.908	232.965.288	163.028.256	605.826
Central Macedonia	684.162.317	638.290.884	515.485.324	1.885.587
Western Macedonia	147.580.871	135.363.574	102.763.113	285.002
Epirus	190.962.508	174.873.330	134.931.599	339.721
Thessaly	300.258.768	276.081.201	197.226.848	737.485
Ionian Islands	76.568.021	68.302.112	49.050.759	224.061
Western Greece	243.734.728	227.637.189	161.800.481	682.604
Central Greece (Sterea Ellada)	94.981.780	83.395.428	59.785.050	559.457
Attica	846.696.590	744.448.018	529.852.619	3.787.386
Peloponnese	208.386.608	189.776.288	136.442.507	584.989
North Aegean	63.172.632	56.702.504	40.499.043	198.894
South Aegean	60.427.635	53.497.080	40.484.148	366.837
Crete	214.217.985	192.496.605	141.062.718	682.928
<b>Total</b>	<b>3.390.32.351</b>	<b>3.073.829.501</b>	<b>2.272.412.465</b>	<b>10.940.777</b>

Source: Integrated Information System (OPS), Greek Ministry of Economics  
(<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>)

**Table 8: Education and Lifelong Learning**  
National contribution is included.  
Amounts: In billion Euros. At current prices

Region	Total Accession Budget	Total Legal Commitments	Total Payments	Real population 2011
Eastern Macedonia & Trace	122.751.331	1051.01.372	75.580.959	605.826
Central Macedonia	335.847.568	317.677.594	231.240.303	1.885.587
Western Macedonia	65.354.149	63.278.048	49.030.369	285.002
Epirus	93.063.084	79.290.084	52.641.701	339.721
Thessaly	127.580.951	107.327.750	74.749.321	737.485
Ionian Islands	52.610.929	46.106.695	32.337.991	224.061
Western Greece	184.486.572	157.394.048	108.018.504	682.604
Central Greece (Sterea Ellada)	66.781.637	65.397.162	45.840.396	559.457
Attica	573001.403	548.509.622	383.596.687	3.787.386
Peloponnese	84.901.811	68373.938	46.915.048	584.989
North Aegean	75.020.502	6.6025628	45.266.041	198.894
South Aegean	34.814.235	34.140.742	25.295.962	366.837
Crete	194.999.526	172.067.569	119.942.115	682.928
<b>Total</b>	<b>2.011.213.698</b>	<b>1.830.690.252</b>	<b>1.290.445.397</b>	<b>10.940.777</b>

Source: Integrated Information System (OPS), Greek Ministry of Economics  
(<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>)

<b>Table 9: Public Administration Reform 2007-2013</b>				
National contribution is included.				
Amounts: In billion Euros. At current prices				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	70.438.325	59.908.112	44.500.087	605.826
Central Macedonia	96.792.328	84.353.517	63.389.410	1.885.587
Western Macedonia	26.913.740	24.393.932	17.444.249	285.002
Epirus	26.649.017	22.769.039	15.254.754	339.721
Thessaly	61628.320	52.336.017	39.534.499	737.485
Ionian Islands	16.273.725	14.087.460	9.327.231	224.061
Western Greece	65695.789	54.839.021	39.629.403	682.604
Central Greece (Sterea Ellada)	24.452.679	22.138.403	16.598.774	559.457
Attica	167.481.138	142.592.761	106.263.047	3.787.386
Peloponnese	30.049.380	25.587.772	17.597.210	584.989
North Aegean	12.143.756	9.719.305	6.277.228	198.894
South Aegean	11.958.980	11.222.660	7.229.598	366.837
Crete	41.850.664	36.339.437	26.832.478	682.928
<b>Total</b>	<b>652.327.841</b>	<b>560.287.436</b>	<b>409.887.698</b>	<b>10.940.777</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

<b>Table 10: Technical Assistance</b>				
National contribution is included.				
Amounts: In billion Euros. At current prices				
<b>Region</b>	<b>Total Accession Budget</b>	<b>Total Legal Commitments</b>	<b>Total Payments</b>	<b>Real population 2011</b>
Eastern Macedonia & Trace	70325677	64237236	51.186.974	605.826
Epirus	39376090	36096829	28.830.716	339.721
Thessaly	68039089	61812155	48.763.600	737.485
Ionian Islands	25631337	23537490	19243.970	224.061
Western Greece	75082697	67948347	53.286.640	682.604
Peloponnese	38804296	34918099	27.352.207	584.989
North Aegean	19314394	17827704	14.392.939	198.894
Crete	53221199	48822268	39.408.300	682.928
<b>Total</b>	<b>389.794.779</b>	<b>355200128</b>	<b>282.465.346</b>	<b>4.056.508</b>
Source: Integrated Information System (OPS), Greek Ministry of Economics ( <a href="http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200">http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200</a> )				

**Table 11: National Contingency Reverse**  
National contribution is included.  
Amounts: In billion Euros. At current prices

Region	Total Accession Budget	Total Legal Commitments	Total Payments	Real population 2011
Eastern Macedonia & Trace	21.124.591	21.063.828	10.842.933	605.826
Central Macedonia	35.758.863	35.562.213	22.006485	1.885.587
Western Macedonia	18.001.297	17.906.412	12.400.378	285.002
Epirus	14.481.250	14429.638	8484598	339.721
Thessaly	31.139.912	31.073.485	15.213.106	737.485
Ionian Islands	12.095.000	12.044.195	7.707522	224.061
Western Greece	18472.960	18.408.682	10.396924	682.604
Attica	54.972.608	54.782.215	37.631.034	3.787.386
Peloponnese	16.805.569	16.741.287	9.412.029	584.989
North Aegean	11.125.991	11.082.763	6.856.790	198.894
Crete	35.569.549	35.492.128	18.017.106	682.928
<b>Total</b>	<b>269.547.590</b>	<b>268.586.846</b>	<b>158.968.905</b>	<b>10.014.483</b>

Source: Integrated Information System (OPS), Greek Ministry of Economics  
(<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>)

**Table 12: Regional Operational Programmes (ROPs)**  
National contribution is included.  
Amounts: In billion Euros. At current prices

Region	Total Accession Budget	Total Legal Commitments	Total Payments	Real population 2011
Eastern Macedonia & Trace	894.505.493	767.394.219	488.914.346	605.826
Central Macedonia	4.990.258.582	3.640804.010	1.902.352.474	1.885.587
Western Macedonia	886.344.785	588.258.899	387.023.750	285.002
Ionian Islands	405.896.577	343.179.957	191.412.211	224.061
Western Greece	717.142.742	626.905.167	369.932.286	682.604
Peloponnese	823.056.746	638.134.052	386.728.139	584.989
North Aegean	589.032.634	431.260.831	276.640.622	198.894
South Aegean	672.817.001	614.485.012	427.059.462	366.837
Crete	891.915.129	674.173.482	462.593.294	682.928
Epirus	639.065.292	520.784.200	395.336.508	339.721
Thessaly	764.288.308	613.385013	437.800.820	737.485
Central Greece	993.675.657	892.499.354	617.008873	559.457
Attica	4.674.613.753	3.646.093.696	2.307.457.202	3.787.386
<b>Total</b>	<b>17.942.612.699</b>	<b>13.997.357.892</b>	<b>8.650.259.987</b>	<b>10.940.777</b>

Source: Integrated Information System (OPS), Greek Ministry of Economics  
(<http://helpdesk.mnec.gr/helpdesk/Questions/Createquestion.zul?epexid=200>)

**APPENDIX III - DATA LIST**

## GREEK NSRF 2007-2013, SECTORAL &amp; REGIONAL OPERATIONAL PROGRAMMES

Examined period : 01/01/2007 - 28/01/2015

Data in current prices

Source: OPS HELPDESK, Greek Ministry of Economics

OP CODE	OP TITLE	CODE OF REGION	REGION	ACCESSION BUDGET TOTAL PUBLIC EXPENDITURE	LEGAL COMMITMENTS TOTAL PUBLIC EXPENDITURE	PAYMENTS TOTAL PUBLIC EXPENDITURE
01	Environment – Sustainable Development	01	Eastern Macedonia & Trace	245,640,293	141,746,851	92,215,067
01	Environment – Sustainable Development	02	Central Macedonia	509,081,709	280,108,772	147,076,904
01	Environment – Sustainable Development	03	Western Macedonia	194,366,896	178,402,903	128,265,395
01	Environment – Sustainable Development	04	Epirus	179,487,710	84,908,203	55,022,784
01	Environment – Sustainable Development	05	Thessaly	428,901,881	292,922,070	187,400,207
01	Environment – Sustainable Development	06	Ionian Islands	104,590,654	75,214,338	60,604,350
01	Environment – Sustainable Development	07	Western Greece	521,445,110	326,004,406	205,246,122
01	Environment – Sustainable Development	08	Central Greece (Sterea Ellada)	631,891,512	370,140,845	224,764,811
01	Environment – Sustainable Development	09	Attica	657,259,172	419,192,106	282,491,408
01	Environment – Sustainable Development	10	Peloponnese	320,894,565	147,507,876	101,581,932
01	Environment – Sustainable Development	11	North Aegean	60,320,823	32,487,103	23,796,837
01	Environment – Sustainable Development	12	South Aegean	222,263,804	139,286,485	88,531,200
01	Environment – Sustainable Development	13	Crete	236,655,617	145,598,869	94,121,684
02	Accessibility Improvement	01	Eastern Macedonia & Trace	141,748,068	108,874,122	85,356,343
02	Accessibility Improvement	02	Central Macedonia	716,434,732	583,950,375	407,931,954
02	Accessibility Improvement	03	Western Macedonia	246,564,261	213,943,607	102,494,438
02	Accessibility Improvement	04	Epirus	596,576,347	505,227,476	317,400,718
02	Accessibility Improvement	05	Thessaly	1,529,241,571	1,294,781,282	937,952,804
02	Accessibility Improvement	06	Ionian Islands	4,526,992	2,500,734	1,552,116
02	Accessibility Improvement	07	Western Greece	3,679,980,067	2,941,407,368	1,404,563,748

02	Accessibility Improvement	08	Central Greece (Sterea Ellada)	1,578,814,213	1,320,145,770	784,117,484
02	Accessibility Improvement	09	Attica	68,704,111	44,424,227	28,409,811
02	Accessibility Improvement	10	Peloponnese	1,378,997,072	994,709,890	603,765,958
02	Accessibility Improvement	11	North Aegean	11,521,744	9,143,225	7,561,367
02	Accessibility Improvement	12	South Aegean	18,202,507	12,358,024	6,496,824
02	Accessibility Improvement	13	Crete	276,103,416	195,572,357	119,697,375
03	Competitiveness and Entrepreneurship	01	Eastern Macedonia & Trace	381,200,101	369,889,259	286,413,056
03	Competitiveness and Entrepreneurship	04	Epirus	221,593,252	214,144,694	151,342,167
03	Competitiveness and Entrepreneurship	05	Thessaly	216,113,903	207,750,097	149,341,286
03	Competitiveness and Entrepreneurship	06	Ionian Islands	201,714,003	189,514,238	135,610,445
03	Competitiveness and Entrepreneurship	07	Western Greece	319,216,654	301,451,880	221,682,049
03	Competitiveness and Entrepreneurship	10	Peloponnese	544,906,227	527,010,373	340,437,997
03	Competitiveness and Entrepreneurship	11	North Aegean	156,281,683	141,233,140	104,884,488
03	Competitiveness and Entrepreneurship	13	Crete	389,184,331	359,312,744	243,063,119
04	Digital Convergence	01	Eastern Macedonia & Trace	203,360,342	105,651,545	67,015,742
04	Digital Convergence	02	Central Macedonia	127,065	127,065	127,065
04	Digital Convergence	04	Epirus	124,440,583	71,259,317	43,187,646
04	Digital Convergence	05	Thessaly	221,715,294	120,915,486	77,180,315
04	Digital Convergence	06	Ionian Islands	66,830,422	38,121,832	23,774,292
04	Digital Convergence	07	Western Greece	248,209,402	137,395,240	80,698,959
04	Digital Convergence	09	Attica	6,266	6,266	6,266
04	Digital Convergence	10	Peloponnese	159,004,172	91,180,905	50,780,420
04	Digital Convergence	11	North Aegean	61,860,278	35,442,297	20,480,775
04	Digital Convergence	13	Crete	177,970,155	97,657,052	61,281,165
05	Development of Human Resources	01	Eastern Macedonia & Trace	259,581,908	232,965,288	163,028,256
05	Development of Human Resources	02	Central Macedonia	684,162,317	638,290,884	515,485,324
05	Development of Human Resources	03	Western Macedonia	147,580,871	135,363,574	102,763,113
05	Development of Human Resources	04	Epirus	190,962,508	174,873,330	134,931,599
05	Development of Human Resources	05	Thessaly	300,258,768	276,081,201	197,226,848
05	Development of Human Resources	06	Ionian Islands	76,568,021	68,302,112	49,050,759

05	Development of Human Resources	07	Western Greece	243,734,728	227,637,189	161,800,481
05	Development of Human Resources	08	Central Greece (Sterea Ellada)	94,981,780	83,395,428	59,785,050
05	Development of Human Resources	09	Attica	846,696,590	744,448,018	529,852,619
05	Development of Human Resources	10	Peloponnese	208,386,608	189,776,288	136,442,507
05	Development of Human Resources	11	North Aegean	63,172,632	56,702,504	40,499,043
05	Development of Human Resources	12	South Aegean	60,427,635	53,497,080	40,484,148
05	Development of Human Resources	13	Crete	214,217,985	192,496,605	141,062,718
06	Education and Lifelong Learning	01	Eastern Macedonia & Trace	122,751,331	105,101,372	75,580,959
06	Education and Lifelong Learning	02	Central Macedonia	335,847,568	317,677,594	231,240,303
06	Education and Lifelong Learning	03	Western Macedonia	65,354,149	63,278,048	49,030,369
06	Education and Lifelong Learning	04	Epirus	93,063,084	79,290,084	52,641,701
06	Education and Lifelong Learning	05	Thessaly	127,580,951	107,327,750	74,749,321
06	Education and Lifelong Learning	06	Ionian Islands	52,610,929	46,106,695	32,337,991
06	Education and Lifelong Learning	07	Western Greece	184,486,572	157,394,048	108,018,504
06	Education and Lifelong Learning	08	Central Greece (Sterea Ellada)	66,781,637	65,397,162	45,840,396
06	Education and Lifelong Learning	09	Attica	573,001,403	548,509,622	383,596,687
06	Education and Lifelong Learning	10	Peloponnese	84,901,811	68,373,938	46,915,048
06	Education and Lifelong Learning	11	North Aegean	75,020,502	66,025,628	45,266,041
06	Education and Lifelong Learning	12	South Aegean	34,814,235	34,140,742	25,295,962
06	Education and Lifelong Learning	13	Crete	194,999,526	172,067,569	119,942,115
07	Public Administration Reform 2007-2013	01	Eastern Macedonia & Trace	70,438,325	59,908,112	44,500,087
07	Public Administration Reform 2007-2013	02	Central Macedonia	96,792,328	84,353,517	63,389,410
07	Public Administration Reform 2007-2013	03	Western Macedonia	26,913,740	24,393,932	17,444,249
07	Public Administration Reform 2007-2013	04	Epirus	26,649,017	22,769,039	15,254,754
07	Public Administration Reform 2007-2013	05	Thessaly	61,628,320	52,336,017	39,534,499
07	Public Administration Reform 2007-2013	06	Ionian Islands	16,273,725	14,087,460	9,327,231
07	Public Administration Reform 2007-2013	07	Western Greece	65,695,789	54,839,021	39,629,403
07	Public Administration Reform 2007-2013	08	Central Greece (Sterea Ellada)	24,452,679	22,138,403	16,598,774
07	Public Administration Reform 2007-2013	09	Attica	167,481,138	142,592,761	106,263,047
07	Public Administration Reform 2007-2013	10	Peloponnese	30,049,380	25,587,772	17,597,210

07	Public Administration Reform 2007-2013	11	North Aegean	12,143,756	9,719,305	6,277,228
07	Public Administration Reform 2007-2013	12	South Aegean	11,958,980	11,222,660	7,229,598
07	Public Administration Reform 2007-2013	13	Crete	41,850,664	36,339,437	26,832,478
08	Technical Assistance	01	Eastern Macedonia & Trace	70,325,677	64,237,236	51,186,974
08	Technical Assistance	04	Epirus	39,376,090	36,096,829	28,830,716
08	Technical Assistance	05	Thessaly	68,039,089	61,812,155	48,763,600
08	Technical Assistance	06	Ionian Islands	25,631,337	23,537,490	19,243,970
08	Technical Assistance	07	Western Greece	75,082,697	67,948,347	53,286,640
08	Technical Assistance	10	Peloponnese	38,804,296	34,918,099	27,352,207
08	Technical Assistance	11	North Aegean	19,314,394	17,827,704	14,392,939
08	Technical Assistance	13	Crete	53,221,199	48,822,268	39,408,300
09	Macedonia - Thrace	01	Eastern Macedonia & Trace	894,505,493	767,394,219	488,914,346
09	Macedonia - Thrace	02	Central Macedonia	4,990,258,582	3,640,804,010	1,902,352,474
09	Macedonia - Thrace	03	Western Macedonia	886,344,785	588,258,899	387,023,750
10	Western Greece - Peloponnese - Ionian Islands	06	Ionian Islands	405,896,577	343,179,957	191,412,211
10	Western Greece - Peloponnese - Ionian Islands	07	Western Greece	717,142,742	626,905,167	369,932,286
10	Western Greece - Peloponnese - Ionian Islands	10	Peloponnese	823,056,746	638,134,052	386,728,139
11	Crete & Aegean Islands	11	North Aegean	589,032,634	431,260,831	276,640,622
11	Crete & Aegean Islands	12	South Aegean	672,817,001	614,485,012	427,059,462
11	Crete & Aegean Islands	13	Crete	891,915,129	674,173,482	462,593,294
12	Thessaly - Central Greece - Epirus	04	Epirus	639,065,292	520,784,200	395,336,508
12	Thessaly - Central Greece - Epirus	05	Thessaly	764,288,308	613,385,013	437,800,820
12	Thessaly - Central Greece - Epirus	08	Central Greece (Sterea Ellada)	993,675,657	892,499,354	617,008,873
13	Attica	09	Attica	4,674,613,753	3,646,093,696	2,307,457,202
14	National Contingency Reverse	01	Eastern Macedonia & Trace	21,124,591	21,063,828	10,842,933
14	National Contingency Reverse	02	Central Macedonia	35,758,863	35,562,213	22,006,485
14	National Contingency Reverse	03	Western Macedonia	18,001,297	17,906,412	12,400,378
14	National Contingency Reverse	04	Epirus	14,481,250	14,429,638	8,484,598
14	National Contingency Reverse	05	Thessaly	31,139,912	31,073,485	15,213,106
14	National Contingency Reverse	06	Ionian Islands	12,095,000	12,044,195	7,707,522



14	National Contingency Reverse	07	Western Greece	18,472,960	18,408,682	10,396,924
14	National Contingency Reverse	09	Attica	54,972,608	54,782,215	37,631,034
14	National Contingency Reverse	10	Peloponnese	16,805,569	16,741,287	9,412,029
14	National Contingency Reverse	11	North Aegean	11,125,991	11,082,763	6,856,790
14	National Contingency Reverse	13	Crete	35,569,549	35,492,128	18,017,106
			<b>TOTAL NSRF</b>	<b>42,910,177,938</b>	<b>33,954,574,769</b>	<b>21,620,166,961</b>
			<b>TOTAL PER CAPITA NSRF</b>	<b>3922.04</b>	<b>3103.49</b>	<b>1976.11</b>

**REFERENCES**

- Andreou, G. (2006a) "Developing programming and administrative capacity for EU cohesion policy in the new member states: Some lessons from Greece". EU-CONCENT, Constructing EU Network project report. Athens: ELIAMEP.
- Andreou, G. (2006b) "EU cohesion policy in Greece: Patterns of governance and Europeanization". *South European Society and Politics*, 11 (2), pp. 241-259.
- Andrikopoulou, E. (1995) "The regions in the European Union: The evolution of regional policy from the Treaty of Rome to the Maastricht Treaty "[in Greek]. Athens: Themelio.
- Andrikopoulou, E. and Kafkalas, G. (2004) "Greek regional policy and the process of Europeanization: 1961-2000". In Dimitrakopoulos, D.G. and Passas, A.G. (eds.) *Greece in the European Union*. London: Routledge, pp.37-38.
- Bache, I. (1998) "The politics of European Union regional policy: Multi-level governance or flexible Gatekeeping". Sheffield: Sheffield Academic Press.
- Bache, I. (2008) "Europeanization and multilevel governance: Cohesion policy in the European Union and Britain". Plymouth, UK: Rowman & Littlefield Publishers.
- Bache, I. and Jones, R. (2000) "Has EU regional policy empowered the regions?: A study of Spain and the United Kingdom". *Regional and Federal Studies*, 10 (3), pp. 1-20.
- Bachtler, J. and Mendez, C. (2007) "Who governs EU cohesion policy?: Deconstructing the reforms of the structural funds". *Journal of Common Market Studies*, 45 (3), pp. 535-564.
- Bachtler, J. and Michie, R. (1993) "The restructuring of the regional policy in the European Community". *Regional Studies*, 27 (8), pp. 719-725.
- Bachtler, J. and Turok, I., eds. (1997) "The coherence of EU regional policy: Contrasting perspectives on the structural funds". London: Jessica Kingsley Publishers.
- Begg, I. (1997) "Reform of the structural funds after 1999". *European Planning Studies*, 5 (5), pp. 675-689.
- Begg, I. and Mayes, M. (1993) "Cohesion in the European Community: A key imperative for the 1990s?" *Regional Science and Urban Economics*, 23 (2), pp. 427-448.
- Beutel, J. (1993) "The economic impacts of the community support frameworks for the objective I regions 1989-1993: Report to DG for Regional Policies, Commission of the European Communities". Constance: Commission of the European Communities.

Breuss, F., Egger, P. and Pfaffermayr, M. (2004) "Structural funds, EU enlargement, and the redistribution of FDI Europe". *WIFO Working Papers*, 195.

Capros, P. and Karadeloglou, P. (1989) "Macroeconomic impacts of structural funds on the Greek economy". Institute of Economic and Industrial Research.

Christodoulakis, N.M. and Kalivitis, S.C. (1998) "The second CSF (Delors' II Package) for Greece and its impact on the Greek economy". *Economics of Planning*, 31 (1), pp. 57-79.

Christopoulou I., (2011). "Creating a sustainable EUROPE: the role of the European Union Structural Funds". Thesis Presented to the Faculty Of The Fletcher School of Law and Diplomacy.

Clogg, R. (2002) "A concise history of Greece. 2nd ed. Cambridge", UK: Cambridge University Press.

Close, D.H. (2002) "Greece since 1945: Politics, economy and society". London: Longman.

Commission of the European Communities (1969) "A regional policy for the Community". COM (69) 950, 15 October, Brussels.

Commission of the European Communities (1971) "Regional policy actions in priority agricultural regions". COM (71) 500 def, Brussels.

Commission of the European Communities (1973) "Report on the regional problems of the enlarged community". COM (73) 550 def, Brussels.

Commission of the European Communities (1987) "Commission communication, the single act: A new frontier for Europe". COM (87) 100 final, Brussels.

Commission of the European Communities (1994) "Greece: Community support framework 1994-1999" [in Greek]. Luxembourg: Office for Official Publications of the European Communities.

Council of the European Communities (1988) "Regulation on the tasks of the structural funds and their effectiveness and on coordination of the activities between themselves and with the operations of the European Investment Bank and the other existing financial instruments". 2052/88, 24 June.

Council of the European Communities (1993a) "Regulation amending regulation (EEC) No 2052/88 on the tasks of the structural funds and their effectiveness and on coordination of their activities between themselves and with the operations of the European Investment Bank and the other existing financial instruments". 2081/93, 20 July.

Council of the European Communities (1993b) "Regulation establishing a cohesion financial instrument". 792/93, 30 March.

Council of the European Union (1999b) "Regulation laying down general provisions on the structural funds". 1260/1999, 21 June.

Council of the European Union (2006a) "Decision on Community strategic guidelines on cohesion". 2006/702/EC, 6 October.

Council of the European Union (2006b) "Regulation on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and Repealing Regulation": (EC) No 1260/1999.(11 July 2006). 1083/2006, 11 July.

Davies, S., Gross, F. and Polverari, L. (2008) "The financial management, control and audit of EU cohesion policy: Contrasting views on challenges, idiosyncrasies and the way ahead". *IQ-Net Thematic Paper*, 23(2).

Economou, D. (1997) "The impact of the first Community support framework for Greece". *European and Regional Studies*, 4 (1), pp. 71-84.

Economou, D. (2004) "The regional dimension of the 3<sup>rd</sup> Community Support Framework: Early estimates" [in Greek]. *Aeihoros*, 3, (1), pp. 32-55.

European Commission (2004) "A new partnership for cohesion-convergence competitiveness cooperation: Third report on economic and social cohesion". Luxembourg: Office for Official Publications of the European Communities.

European Council (1987) "Presidency conclusions". Brussels, 29-30 June.

European Council (1999a) *Presidency conclusions*. 100/1/99 rev. Berlin, 24-25 March.

European Enterprise Organization (EEO) (2003) "Ex post evaluation of the Objective 1, 1994-1999: National Report: Greece". European Enterprise Organisation: Athens.

Giannias, D., Liargovas, P. and Manolas, G. (1997) "Regional inequalities in Greece: 1961-1991" [in Greek]. *Topos*, 13, pp. 47-61.

Hooghe, L. and Marks, G. (2006) "Neofunctionalists were (almost) right: Politicization and European integration". In Crouch, C. and Streeck, W. (eds.) *Diversity in democracy: Corporatism, social order and political conflict*. Cheltenham: Edward Elgar, pp. 205-222.

Ioakimidis, P.C. (1996) "EU cohesion policy in Greece: The tension between bureaucratic centralism and regionalism". In Hoghe, L. (ed.) *Cohesion and European integration: Building multi-level governance*. Oxford: Oxford University Press, pp. 342-366.

Ioannou, D. (2001) "Institutions, development and European regional policy in Greece: 1981-1999". PhD thesis. Faculty of History, Centre of International Studies, University of Cambridge.

Konsolas, N., Papadaskalopoulos, A. and Plaskovitis, I. (2002) "Regional development in Greece". Berlin, Heidelberg: Springer.

Leonardi, R. (2005) "Cohesion policy in the European Union: The building of Europe". New York, NY: Palgrave Macmillan.

Maastricht Treaty(1992) "Provisions amending the Treaty establishing the European Economic Community with a view to establishing the European Community". Available at <http://www.eurotreaties.com/maastrichtec.pdf> [Last access 17/12/2014 ].

Manzella, P.C. and Mendez, C. (2009) "The turning points of EU cohesion policy". *European Commission Regional Policy Report Working Paper*.

Maravegias, N. (1991) "The regional policy of the European Community" [in Greek] In Maravegias, N. and Tsinisizelis, M. (eds.) *European integration: Theory and policy*. Themelio: Athens.

Marks, G. (1996) "Exploring and explaining in EU cohesion policy". In Hooghe, L. (ed.) *Cohesion policy and European integration: Building a multilevel governance*. Oxford: Oxford University Press, pp. 388-422.

Michie, R. and Fitzgerald, R. (1997) "The evolution of the structural funds". In Bachtler, J. and Turok, I. (eds) *The coherence of EU regional policy: Contrasting perspectives of the structural funds*. Abingdon: Routledge, pp. 14-28.

Molle, W. (2007) "European cohesion policy: Regions and cities". New York: Routledge.

Ministry of Economy and Finance (MEF) (2005) "Structural interventions in Greece: Information report". Ministry of Economy and Finance: Athens.

Ministry of National Economy (MNE) (2000) "Regional development plan 2000-2006" [in Greek]. Ministry of National Economy: Athens.

Papadaskalopoulos, A. and Chistoforakis, M. (2005) "Greek regional policy: Evolution, present situation and prospects" [in Greek]. In Sakelaropoulos, T. (ed.) *Economy and politics in modern Greece*. 3<sup>rd</sup> ed. Athens: Dionikos.

Petrakos, G. and Psycharis, Y. (2004) "Regional Development in Greece". Kritiki Publications.

Plaskovitis, I. (2006) "The evolution of regional policy objectives in Greece: Twenty years of regional development programmes". In *46th Congress of the European Regional Studies Association*. Volos, Greece, August 30 August-3 September.

Psycharis, Y. (2000) "Regional inequalities and state interventionism" [in Greek]. In Psycharis, I., Gospodini, A. and Christopoulou, O. (eds.) *17 essays for planning, cities and development*. Volos: University of Thessaly Publications, p.238-239.

- Rodriguez-Pose, A. and Fratesit, U. (2004) "Between the development and social policies: The impact of European structural funds in Objective 1 regions". *Regional Studies*, 38 (1), pp. 97-113.
- Rona, M. and Rona, F. (1997) "The Evolution of the Structural Funds", in *The Coherence of the EU Regional Policy Contrasting Perspective on the Structural Funds*, edited by John Bachtler, and Ivan Turo, 14-27, London: Jessica Kingsley, 1997.
- Rostow, R. (1960) "The stages of economic growth: A non-communist manifest". Cambridge: Cambridge University Press.
- Sotiriou, A. and Tsiapa, M. (2015) "The asymmetric influence of structural funds on regional growth in Greece". *European and Regional Planning C*. Available at: [http://ec.europa.eu/regional\\_policy/information/reports/index\\_en.cfm](http://ec.europa.eu/regional_policy/information/reports/index_en.cfm) [Last Access: 01/10/2014]
- Sutcliffe, J.B. (2000) "The 1999 reform of the structural fund regulations: Multi-level governance or renationalization?" *Journal of European Public Policy*, 7 (2), pp. 290-309.
- Swann, D. (1995) "The economics of the common market: Integration in the European Union". 8th ed. London: Penguin Books.
- Tondl, G. (1998) "EU regional policy in the southern periphery: Lessons for the future". *South European Society and Politics*, 3 (1), pp. 93-129.
- Treaty of Rome (1975) Principles , p.4. Available at: [http://ec.europa.eu/archives/emu\\_history/documents/treaties/rometreaty2.pdf](http://ec.europa.eu/archives/emu_history/documents/treaties/rometreaty2.pdf) [Last access 13/12/2014]
- Tsipouri, L. and Roubliova, D. (2010) "Expert Evaluation Network delivering Policy Analysis on the performance of Cohesion Policy 2007-2013". Task 2: Country Report on achievements on Cohesion Policy, Greece. A report to the European Commission Directorate-General Regional Policy. Version Final, November 2010.
- Tsoulouvis, L. (1987) "Aspects of statism and planning in Greece". *International Journal of Urban and Regional Research*, 11(4), pp. 500-521.
- Wassenhoven, L. (1984) "Greece". In Wynn, M. (ed.) *Planning and urban growth in Southern Europe*. London: Mansell Publishing Limited, pp. 5-36.

