

Organizer:

TEE

“Workshop on Financial Instruments for the Greek Market”

6 October 2016

WITH THE SUPPORT OF



European
Commission

Representation
in Greece

UNDER THE AUSPICES OF



HELLENIC REPUBLIC
Ministry of Interior
and
Administrative Reconstruction



ATHENS | 06 OCTOBER 2016

Workshop

on

Financial Instruments for the Greek Market

Highlights & Conclusions

OPENING WELCOME REMARKS

Giorgos N. Stasinou

President of the Technical Chamber of Greece

OPENING WELCOME ADDRESSES

Panagiotis Kouroubilis

Minister of Interior & Administrative Reconstruction

Panagiotis Korkolis

Secretary General Public Investment & NSRF Issues

George Patoulis

KEDE President, Mayor of Amarousion

George Kaminis

Mayor of Athens

Konstantine Michalos

President of Athens Chamber of Commerce & Industry

Vasilis Korkidis

President of Hellenic Confederation of Commerce & Entrepreneurship

Programme

SESSION 1 11:00 – 12:00

The Investment Plan Junker

Presentation: **Miguel Gil** – Terte, Member of Cabinet of Vice – President Jyrki Katainen

Panel:

1. **Nicholas Jennett**, Deputy Director General and Head of Investment Team for Greece, European Investment Bank
 2. **Dr. Harris Labropoulos**, As. Professor, University of Patras, MoB Athens Chamber of Commerce & Industry
 3. **Costas Frouzis**, CEO, CRETA FARMS (tbc)
- Coordinator: **Liana Anagnostaki**, Head of TCG's Directorate of European Affairs & International Relations

SESSION 2 12:15 – 13:15

Regional Development & Sustainable Growth

Presentation: **George Kolivas**, Policy Analyst, Regional & Urban Policy – Smart & Sustainable Growth

Panel:

1. **Kostas Bakoyannis**, Regional Governor of Central Greece, Member of ExBo of Union of Greek Regions
2. **Kalliopi Stavropoulou**, Associate Regional Director Programming Development
3. **Panagiotis Tournavitis**, General Director, Cooperative Bank of Karditsa

SESSION 3 14:45 – 15:45

SME Access to Finance – COSME

Presentation: **Martine Diss**, Deputy Head of Unit, COSME Financial Instruments

Panel:

1. **Ioannis Tsakiris**, Head of Regional Business Development for South Eastern Europe & Neighbouring Countries, European Investment Fund
2. **Spyros Floros**, Director Retail Banking, National Bank of Greece
3. **Emilia Tzareva**, Member of the Management Board and Executive Director, ProCredit (tbc)
4. Representative of Hellenic Confederation of Commerce & Entrepreneurship

SESSION 4 16:00 – 17:00

Infrastructure Investment Strategies

Presentation: **Alexandros Sotiriou**, Policy Officer, Connecting Europe – Infrastructure Investment Strategies, DG Move

Panel:

1. **Michael Daktylidis**, Vice-President of the Panhellenic Association of Engineers Contractors of Public Works (PEDMEDE)
2. **Konstantinos Kalergis**, President of Hellenic Association of Consulting Firms (SEGMA)
3. **Zacharias Athousakis**, President of the Association of Greek Contracting Companies (SATE)
4. **Georgios Syrianos**, President of the Association of Technical Companies of the Highest Classes (STEAT)

17:00 – 17:30 Coffee Break

SESSION 5 17:45 – 18:45

Innovation & Technology SME Access to Finance – COSME

Presentation: **Anna Krzyzanowska**, Head of Unit "Investment in High – Capacity Networks", DG Connect

Panel:

1. **Gerasimos Mentzelopoulos**, General Manager of Patras Science Park S.A
2. **Yannis Giannitsios**, President of the Digital Economy Committee of the Federation of Hellenic Information Technology & Communications Enterprises (SEPE)
3. **Yannis Kotsis-Giannarakis**, General Manager of the Hellenic Association of Mobile Application Companies
4. **Ioanna Samprakou**, Vice President of the Hellenic Association of Computer Engineers

19:00 Workshop Closing



Giorgos N. Stasinou
TCG President

The President stressed the importance of Juncker's Plan in resource mobilization and noted the need to reconcile private community and public investment through intelligent financial tools that would help to overcome the current financial limitations and to boost the economy. However, as TCG's President noted, changes need to be made in order to attract private investments. He also emphasized on the topic of friendly business environment and proposed eight specific measures that would have an immediate effect on the facilitation of private investments.



Panagiotis Kouroumbilis
Minister of Interior &
Administrative Reconstruction

During his welcome speech the Minister pointed out the importance of TCG's initiative and the significance of the presence of all the actors that are involved in what we call "the market". Focusing on the lack of e-Government System, as the existed 280 databases are not interconnected, he expressed his optimism that Greece will recover from the crisis due to two main factors: political stability and internal security.



Giorgos Patoulis
KEDE President, Mayor of
Amarousion

He pointed out the significance of all the available resources and their value to our country's economy, an economy that is absent from the markets during the 7 years economic crisis. He also mentioned the necessity to benefit from the NSRF 2014-2020 and the Juncker Plan. Furthermore, he underlined the lack of defined roles at Public Administration and asked the cooperation of all state bodies in order to have quicker and better results.

He referred to the progress made in implementing an integrated operational plan for Athens' sustainable development. He highlighted the lack of coherence of the state, due to frequent changes on the Ministries' Political Superiors, bringing as comparison the example of Italy where the continuity of the State is ensured by the municipalities and regions. He also stressed the need for cooperation with the Central Government, the Region, the Universities and Chambers.



George Kaminis
Mayor of Athens



Constantine Michalos
President, Athens
Chamber of Commerce &
Industry

He noted that the difficulty in accessing funding, is very serious, but not the only reason for the low investment activity in Greece, while the over taxation is keeping the investors away. He also stated that delaying the necessary economic reforms, the inefficiency of public administration and a hostile regulatory and tax environment hold back the economic competitiveness.

He pointed out that access to financial sources is very difficult in Greece and there is a lack of information as well as nonexistence of offer and demand. He suggested the creation of a unified SMEs development fund and he stressed that business' micro lending would be a useful tool.



Vasilis Korkidis
President of the
Hellenic Confederation
of
Commerce &
Entrepreneurship



Panagiotis Korkolis
Secretary General Public
Investment & NSRF
Issues

The New Programme "Saving at home" will be activated until the end of November 2016 that will lead to the enhancement of over half a billion € budget. He specially noted that the technical world has much to expect within the next period, referring to all funding opportunities that will be activated in the coming months, both through the NSRF as well as with the assistance of other European financial instruments.



Miguel Gil- Terte
Member of Cabinet of
Vice –President Jyrki Katainen

He reported extensively in both the design and the implementers of the Development Plan for Europe (Juncker Plan) and the Commission's efforts to reduce bureaucratic obstacles to adoption and implementation of financial instruments. Greece can benefit from a variety of tools and resources provided by the European institutions, stressing that the objective is growth and job creation. He particularly referred to the opportunities offered by the Strategic Investment Fund (EFSI), which was designed in collaboration with the European Investment Bank to help to overcome the existing investment gap in the EU, through leveraging private capital for strategic investments. He also informed that significant changes to simplify and speed up procedures will be made until summer 2017.



Nicholas Jennett
Deputy Director General and Head of
Investment Team for Greece, European
Investment Bank

He presented the European Investment Bank's activity and spoke in detail about the terms and conditions that can help business directly.

He also invited the Greek companies that have a well financial base, a serious development plan and a strong management team to talk with the EIB in order to find together optimally growth path.



Dr. Harris Labropoulos,
As. Professor, University of Patras,
MoB Athens Chamber of Commerce & Industry

He outlined the importance of the news on the government planning and the use of available EU funding but he mentioned that the figures are not of great value since they are less of 7 billion euros. Mr. Labropoulos overemphasized by saying that a “tsunami” of investments need to be made for the next five to seven years, translating these investments into hundreds of billions of euros that would help the greek market to stabilize and to return to pre - crisis levels. Stressing the importance of the Juncker package, he clarified that it consists of a loan and not a grant that has to do with either private companies or public sector projects.





Mrs. Anagnostaki noted that the Investment Plan of the European Commission is a big asset and it targets to reinforce the real economy. Especially for Greece, it is a great tool that could help the country to overcome the economic crisis. Stressing out the importance of the Juncker Plan, she underlined that it is a loan with very favorable terms, focusing on funding innovative ideas in all areas of activities, which include all the engineering technical world.

Liana Anagnostaki

Head of Directorate of European Affairs and International Relations TCG

Panel : (from left to right)
Liana Anagnostaki, Head of Directorate of European Affairs and International Relations TCG,
Dr. Harris Labropoulos, As. Professor, University of Patras, MoB Athens Chamber of Commerce & Industry, **Nicholas Jennett**, Deputy Director General and Head of Investment Team for Greece, European Investment Bank, **Miguel Gil- Terte**, Member of Cabinet of Vice –President Jyrki Katainen





George Kolivas
Policy Analyst, Regional &
Urban Policy – Smart &
Sustainable Growth

Mr. Kolivas referred to the importance of building the future using our previous experiences and especially mentioned that today the circumstances have changed since 2011 and 2010, when JEREMIE, JESSICA, TEPICH and “SAVING AT HOME” projects were developed in Greece.

He also mentioned that the Juncker package includes a target of 500 billion investment projects to be available by 2020 and 630 billion until 2022. Greece needs to make the effort to benefit from this amount of money and he continued by saying that currently, there are two proposals made to the Greek Authorities by the EIB and EIF, which the European Commission fully supports. The first one is the Infrastructure Fund, the continuation of JESSICA, which can go to a budget up to 15 mil. € by the NSRF, the EIB and other international financial institutions. The EIF, he noted, can create investment opportunities in PPPs and especially 1 billion for SME's. He also mentioned that OMNIBUS Regulation will be published and applied by the European Union in early 2017.



Kostas Bakoyannis
Regional Governor of Central Greece,
Member of ExBo of Union of Greek
Regions

He emphasized that there is a lack of information in our country. Concerning the Region of his authority, he pointed out that several projects are “en route” like, the gas project worth 44.3 mil. Euro, the Consolidation Plan for Asopos River (EUR 120 mil. creating the perspective of many new jobs) as well as Chalkida's bypass project. Closing, he emphasized on the need to deal with bureaucracy, multitude of laws and confusion of jurisdiction.



Kalliopi Stavropoulou
Associate Regional Director
Programming Development
Region of Attica

Mrs. Stavropoulou referred to the importance of the resources and expertise, besides the strategy and governance, in order to manage the available fundings. She pointed out the contribution of the Ministries and all the relevant stakeholders, and she especially mentioned that the European Commission, can play a decisive role. Furthermore, she mentioned that financial tools accessible for SMEs is priority for the Region of Attica.



Panayiotis Tournavitis
General Director, Cooperative Bank of
Karditsa

Mr. Tournavitis, coming from a smaller region, spoke for the success of establishing in the Prefecture of Karditsa a financial Institution in this difficult economic times. Cooperative Bank of Karditsa has perhaps the best capital adequacy ratio, the best indicators liquidity available among Credit institutions in Greece . It has developed a wide network synergies and cooperation with international bodies, which manages and transfers good practice and international experience to its members, making events and providing them with innovative new products.

He also noted that the cooperation of all actors and all members of the production system is essential for developing strategy.

The difficulty in accessing funds exists because strategic decisions are made either without considering market needs or because along the way there are interventions.

Mrs. Anagnostaki emphasized on the need of Regional Strategic actions, on ideas that lead not only in large projects but in small ones as well. She noted that the new OMNIBUS Regulation will be an important European initiative. She concluded by declaring the commitment of Technical Chamber of Greece to distribute the information and to bring together all the interested parts.



Liana Anagnostaki
Head of Directorate of European Affairs
and International Relations TCG

Panel: (from left to right)
Liana Anagnostaki, Head
Directorate of European Affairs
and International Relations TCG
Kalliopi Stavropoulou,
Associate Regional Director
Programming Development of
Region of Attica,
Kostas Bakoyannis, Regional
Governor of Central Greece,
Member of ExBo of Union of
Greek Regions,
Panayiotis Tournavitis, General
Director, Cooperative Bank of
Karditsa





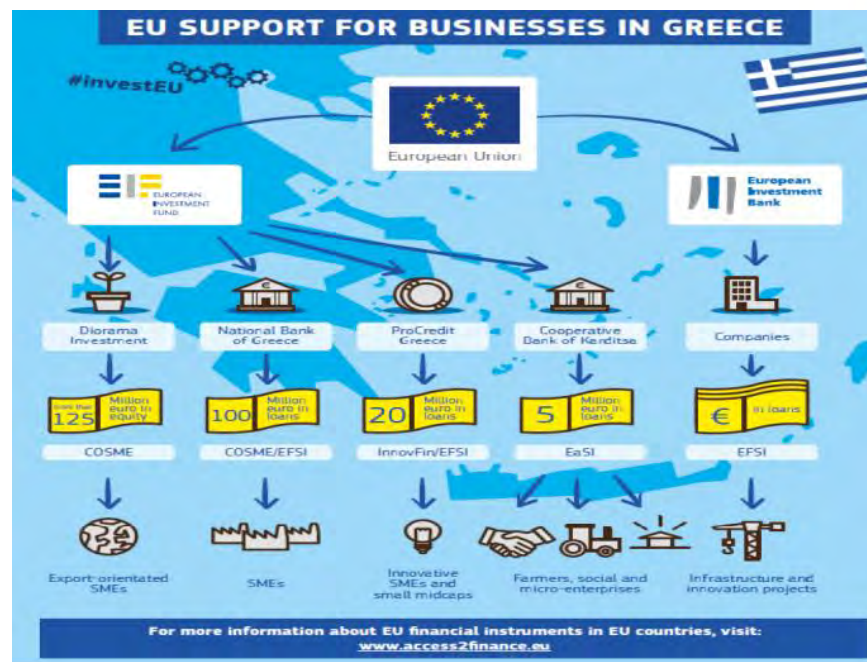
Martine Diss Deputy Head of Unit, COSME Financial Instruments

Mrs. Diss in her speech mentioned that SMEs are in the center of interest for the EU, because small businesses create jobs, representing 9% of companies in Greece and 99.8 in Europe. She presented data showing that greek companies in a 30% don't have access in financing when the respective percentage at the rest of Europe is about 10%.

She was optimistic that in the next 7 years 330.000 SMEs could be financed from the current programme period. The 1/3 of the goal is already accomplished, showing that there is great demand and that the money goes where it is really needed, she added. Thanks to COSME, SMEs reported a 42% increase in jobs, job creation and a 25% increase in terms of turnover.

Mrs. Diss spoke in detail about COSME financing possibilities mentioning that, If someone wants to develop a new project, he could gain experience by spending time in another country or in another company from another sector .

All travel expenses and part of accomodation are covered by the EU. In conclusion, she mentioned that the EU financial instruments are giving loans and not grants which means that repayment is required. Financial tools are available and Greece could benefit from those. For each of them there is at least an intermediary, a bank, a company venture capital, which can give support, she added.





Ioannis Tsakiris

**Head of Regional Business Development for
South Eastern Europe & Neighboring Countries,
European Investment Fund**

Mr. Tsakiris referred on the role of the European Investment Fund as a Financial Institution that aims at investing in Independent management teams that raise funds from a wide range investors to provide risk capital growing SMEs in Europe and funds targeting early stage companies that are developing or using advanced Technologies in industry or services. In 2016, EIF will fund guarantees or venture risk capital up to around 3 billion € across the EU. That means that the leverage will reach up to 18 billion € for all SMEs in the EU. Over the years EIF has supported over 2 million SMEs.



Panel: (from left to right)
Liana Anagnostaki, Head of Directorate of European Affairs and International Relations TCG
Ioannis Tsakiris, Head of Regional Business Development for South Eastern Europe & Neighboring Countries, European Investment Fund,
Martine Diss, Deputy Head of Unit, COSME Financial Instruments





Alexandros Sotiriou
Policy Officer, Connecting
Europe – Infrastructure
Investment Strategies, DG
Move

He focused on identifying the three main problems of Greek society: bureaucracy, confusion of responsibilities and communication.

He also underlined that Infrastructure has always been a national matter inside the EU, because it had to do with national sovereignty. "The problems were mainly nonexistent interconnections and especially in cross-border sections. As a consequence, there are significant differences in integrating transport infrastructure in Europe. Major inequalities, infrastructure fragmentation, long-term investments. Another problem faced by the Transport System is the different operating rules. The cost of infrastructure development within the European Union for addressing transport demand is estimated at EUR 1.5 trillion for 2010-2030 according to the period 2011-2012 estimations. Today it may be higher. The completion of the TEN networks requires about 550 billion by 2020. Cross-border interconnections and bottlenecks elimination require the amount of 215 billion of the 550 billion.

These figures do not include investment in vehicles, rolling stock which is estimated at 1 trillion. At the end, an amount of at least 2.5 trillion is needed in order to achieve the completion of the Trans-European Transport Network, which is not available".



Michael Daktylidis
Vice-President of the Pan-Hellenic Association of
Engineers Contractors of Public Works (PEDMEDE)

Mr. Daktylidis pointed out the fact that the problems are common for all construction companies besides their size. He also said that when large companies do business, mid – sized and small companies work as well. The lack of information and guidance are not helping the companies to benefit from the financial instruments.





Zacharias Athousakis
President of the
Association of Greek
Contracting
Companies (SATE)

Mr. Athousakis presented data concerning the construction sector. Data that shows an accumulating reduction of 68% in the second semester of 2016 compared to the first semester of 2008. As far as the employment in construction projects is concerned, data shows a slight increase of 3, 5 % in the second semester of 2016 compared to 2015's same period. For the last eight years 247.500 employees in construction sector lost their jobs, he added, which is the higher number among the other sectors. Construction sector recorded the lowest percentage in GDP over the last 16 years and the construction production indicator in public works shows a reduction of 52% in relation with the first quarter of 2008. The relevant indicator in private works an accumulating reduction of 82.1% compared to the first semester of 2008. During the period 2008-2013 the number of construction firms has declined by 26%. Turnover from construction activities decreased by 62.5% in the general construction sector. Turnover from building activities fell by 75.5%. The added value of production decreased by 54.8%.

Construction sector is known for its contribution (directly and indirectly) to taxes state system up to 22% and it is recorded in GDP. For every euro spend in the construction sector 1.8 euro is added in GDP. Respectively, for every 1 million produced value from construction projects, 39 jobs are created in the economy chain, 13 out of which are related directly to the construction sector.

Mr. Kalergis, pointed out that designing a national strategy as a country, will help to recover as an economy and to benefit from the opportunities provided from various EU funding instruments. He also said that infrastructure planning, planning of projects and programmes in general, are essential and urgent to the development model of the country



Konstantinos Kalergis
President of Hellenic Association of Consulting
Firms (SEGM)



Mr. Syrianos emphasized that the Juncker Plan has a huge budget provided the leveraging of funds which is potentially applicable for all European countries without percentage distribution by country. According to Mr. Syrianos, this is a problem and a challenge for Greece, because this budget is available either to SMEs or innovation activities from a wide range of sectors, including Construction. He proposed that these projects should be integrated, sustainably in terms of economical and technical aspects in order to attract investments from the private funds. It is essential for the Greek Authorities to develop a National Strategic plan which will include such projects and involve financing institutions, he concluded.

Georgios Syrianos

President of the Association of Technical Companies of the Highest Classes (STEAT)

Panel: (from left to right)

Alexandros Sotiriou, Policy Officer, Connecting Europe– Infrastructure Investment Strategies, DG Move,
Georgios Syrianos, President of the Association of Technical Companies of the Highest Classes (STEAT),
Zacharias Athousakis, President of the Association of Greek Contracting Companies (SATE),
Konstantinos Kalergis, President of Hellenic Association of Consulting Firms (SEGM),
Michael Daktylidis, Vice-President of the Pan-hellenic Association of Engineers Contractors of Public Works (PEDMEDE)





Anna Krzyzanowska
Head of Unit "Investment in
High –Capacity Networks",
DG Connect

Mrs. Krzyzanowska presented the financial tools prepared by the European Commission for Digital projects. In her speech she mentioned that connectivity consists of high speed, high quality and high efficiency. We cannot regain growth and jobs depending only on reconstructing old services, she said. In areas such as Africa and Asia is hard to compete that is why Europe needs to rely on products, services and applications with added value and networks of high quality. Referring to the investment plan for Europe, she aforementioned that a spirit of cooperation between the public and private sector should exist as according to long-term statistics, there has always been a close relationship between public investment activity in infrastructure which is followed by private investment initiatives. She concluded by acknowledging the need of restarting the activities since there is a decline due to the economic crisis.



Gerasimos Mentzelopoulos
General Manager of Patras
Science Park S.A

He highlighted the importance for Greece to overcome the bureaucratic obstacles that companies usually face, especially for the ones that are not as networked in terms of lobbying. He also mentioned that finance opportunities can be found not only in the banking sector.



Yannis Kotsis-
Giannarakis
General Manager of
the Hellenic
Association of Mobile
Application Companies

Regarding financing innovative projects in Greece we are in the 'Death Valley', Mr Giannarakis aforementioned. There are many great ideas but the lack of opportunities to implement them, results in the loss of scientists that choose to immigrate in other european countries.



Yannis Giannitsios

**President of the Digital Economy
Committee of the Federation of Hellenic
Information Technology &
Communications**

Mr. Giannitsios underlined that the dissemination of information to businesses is essential to the companies. In the technology sector, there are many ideas, investment projects, new companies that want to advance, and companies that want to expand their domain and create new products and services, he continued. The main problem is lack of financing, he specified. SMEs in Greece and those of IT sector in particular, are not financed for very large projects as they don't meet banks' criteria and the European Investment Bank's as well, due to their size. These companies have too many proposals, too many ideas and seek support of a "banking" system, in order to implement them he concluded.



Ioanna Samprakou

**Vice President of the Hellenic Association of
Computer Engineers**

Mrs. Samprakou summarized the previous speeches by saying that only few companies or associations are aware of the existing financial opportunities as the majority considers that funding can come only from financial institutions.

We don't lack innovation, we lack information, she emphasized.

Greek competitive SMEs, particularly in the IT sector could really benefit from these financial tools.

Closing, she added that besides taxation system potential investors' fear and hesitate to invest in Greek companies and that it is necessary to show that there are good examples of competitive and innovative Greek companies.



Panel: (from left to right)

Ioanna Samprakou, Vice President of the Hellenic Association of Computer Engineers,

Yannis Kotsis-Giannarakis, General Manager of the Hellenic Association of Mobile Application Companies,

Yannis Giannitsios, President of the Digital Economy Committee of the Federation of Hellenic Information Technology & Communications Enterprises (SEPE),

Gerasimos Mentzelopoulos, General Manager of Patras Science Park S.A,

Anna Krzyzanowska, Head of Unit "Investment in High –Capacity Networks", DG Connect





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