

**INNOVATION POLICY PROJECT
IN SERVICES – IPPS
2006-2007**

**Policy Mapping Study
Region of Western Greece**



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1. Executive Summary

Background information

Innovation has been recognized as a key to growth, but the role of service- sector innovation has long been under – appreciated. This is due to some extent to the difficulty of measuring innovation in the service sector, a patchwork of different industries with significantly different innovation processes.

To date, the service sector has not been specifically targeted by Innovation policy measures, as in most countries they are sector – neutral and address both services and manufacturing firms. Likewise, most countries do not usually separate services and manufacturing, when considering which firms are targeted in government support programmes.

Innovation policy in Greece is in line with this trend, addressing equally all sectors without targeting services in particular.

Aim of the study

The aim of the study is to map existing policy measures supporting service innovation, in the **Region of Western Greece**. This service innovation policy mapping study was undertaken within the framework of the European IPPS project.

Western Greece Region stretches from the north-western part of the Peloponnese to the western tip of the Greek mainland and is the fourth most populated region in Greece. The service sector gives an important contribution to the region's GDP. Western Greece is an essential transport hub, which has led to an intense development of international sea transport and trade to and from its main port, Patras. The prospects for developing tourism and related Industry are also favourable.

The present study aims at identifying and indexing all innovation policy measures for the Region of Western Greece that are related to services. The focus is on measures identified after 2000 and these are mostly funded through the structural funds (3rd Community Support Framework). Given the relatively centralized Greek innovation system, few policies are strictly regional, and as a result, national policies that directly or indirectly affected the specific region of Western Greece were also studied. The measures identified were classified according to a taxonomy model provided by L. Georghiou (2006). This classification allowed for the comparative analysis of the identified measures, taking into account the overall economic and administrative context, which helps us extract useful conclusions.

Main findings

Our study, concerning policy measures related to service innovation in the Region of Western Greece, within the broader economic and social context of the region, revealed several significant tendencies.

A general conclusion is that in the Region of Western Greece, the requirements for the development of innovation are not fully met. Nevertheless, forthcoming initiatives and framework programmes and policies are expected to put emphasis on overcoming those barriers, aiming at the creation of a favorable business environment, for innovation creation in the Region.

With regard to the innovation policy measures, **no specific measures exclusively targeted to services were identified**, despite the fact that the regional (as well as national) economy is mostly service-based. However, the majority of the existing innovation measures do not exclude services and the service sector in general, as they equally address all sectors, without being biased towards manufacturing.

The classification of the identified measures according to Georghiou's taxonomy model revealed that supply-side measures significantly dominate over those classified in demand-side categories. With regard to supply-side measures, both Finance and Services categories are covered, providing an integrated framework towards innovation growth. Most of these regional measures (with regard to volume and budget) focus on training, as well as on supporting R&D activities.

As far as future policies are concerned, a lot of emphasis is expected to be put on innovation at regional level. Given the importance of the service sector in Western Greece Region the provision of specific service innovation measures seems to be a priority for national and regional innovation strategic planning.

2. Methodology

The present study is part of the SSA Inno-Net project. It collects and analyses information on the existing policy measures supporting service innovations in the Region of Western Greece.

Our approach

The study was based on the following approach:

1) Overview of the overall financial and administrative context of the region. This involves an overview of regional prosperity indicators, administrative structure, national and regional innovation system, main innovation actors and beneficiaries.

2) Identification, selection and classification of service innovation policy measures. This involves the identification and selection of all innovation policy measures for the Region of Western Greece that are relevant to services, based on the following points.

- The focus is on measures identified after 2000 and these are mostly funded through the structural funds (3rd Community Support Framework).
- Given the relatively centralized Greek innovation system, few policies are strictly regional, and as a result, national policies that affected the specific region were also included.
- Beyond the strictly service-oriented measures (quite few in any case), other measures that indirectly target services were also included.
- Some national initiatives and policies, although they do not explicitly target innovation, have an indirect impact on innovation and thus were also included. Such policies mostly aim at the modernization of the public sector and regional governance, thus affecting innovation. During the period covered by this study (from 2000 and on) Innovation policy, was considered as an integral part of the development and growth policy in Greece and mostly aimed at improving prosperity indicators, putting emphasis on regional growth. As a result, most measures do not address innovation directly but indirectly affect it through measures for improving infrastructures, R&D, etc.

Each of the selected measures is presented with regard to the following:

1. Description of the problem the policy measure seeks to solve
2. Goal and rationale of the measure
3. Running time of the measure
4. Resources allocated for the measure
5. Outputs and outcomes of the policy measure

The measures identified were then classified according to a taxonomy model provided by L. Georghiou (2006). It should be noted that the classification was based on the primary objective of each measure. If secondary objectives were considered as well several of these measures could be considered to belong to more than one category.

This classification allowed for the comparative analysis of the data collected and the deduction of conclusions.

3) Analysis and formulation of conclusions. This involves the analysis of the classified measures, taking into account the overall financial and administrative context and the extraction of conclusions. The analysis was both qualitative (in terms of the range of categories covered) and quantitative (in terms of numbers of measures and corresponding budget).

Data collection and research material

Data was collected both by on-line desk research and by conducting personal interviews with key stakeholders.

The on-line research was based on information gathered from existing policy documents, recent research reports and relevant databases (National and European). The main sources used are mentioned hereafter:

- TrendChart Innovation Policy Knowledge Base (<http://www.trendchart.org>)
- Community Support Framework - CSF Citizens' On Line Information System (<http://www.info3kps.gr/english.asp>)
- Hellas 2000-2006, CSF (http://www.hellaskps.gr/Index2_en.htm)
- Ministry of Economy and Finance, Integrated Information System Ergorama (<http://www3.mnec.gr/ergorama/> - in Greek)
- <http://www.ptapde.gr>
- <http://www.ditikiellada-region.com/>

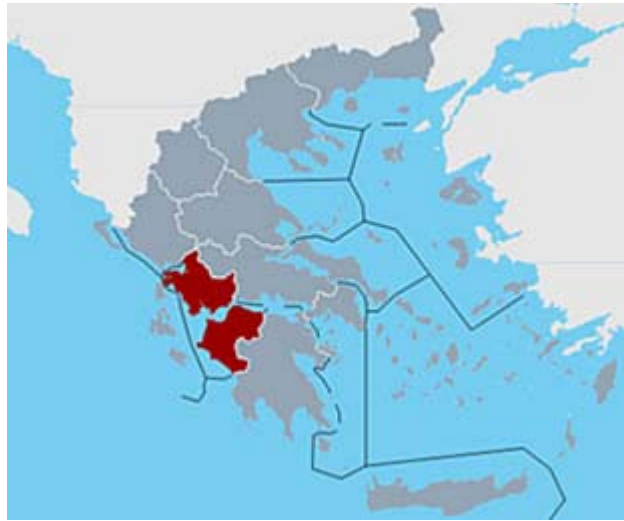
For the interviews, key persons representing the national and regional innovation system were selected. The interviews served as a form of validation of the information collected on-line and aimed at providing more insight with regard to future policies.

The following persons were interviewed:

- **Prof. Vasilios Asimakopoulos**
Special Secretary of Digital Planning (formerly known as “Special Secretariat for the Information Society”), of the Ministry of Economy and Finance, since April 2004.
He is the coordinator of the IT Committee, which is the highest institutional body responsible for the shaping of the policy for the application of new technologies in the economy and in the public administration.
- **Mr. Nikolas Petropoulos**
Head of International Cooperation, Region of Western Greece

3. Profile of Western Greece Region

3.1. *Presentation of the Region*



Source: <http://www.innovating-regions.org>

Figure 1: Map of the Region of Western Greece

Western Greece stretches from the north-western part of the Peloponnese to the western tip of the Greek mainland. The largest parts of the region are mountainous or hilly. The region has 740,000 inhabitants, which makes it the fourth most populated region in Greece.

The primary sector is a significant source of employment and commercial activity, but remains uncompetitive due to high costs, low products quality and weaknesses in the field of distribution and merchandising. Manufacturing activity is mainly concentrated in the sectors of food and drink, clothing, the wood-cork industry, metal products and construction. The service sector gives an important contribution to the region's GDP. Western Greece is an essential transport hub, which has led to an intense development of international sea transport and trade to and from its port. The prospects for developing tourism are also favourable. The GDP per capita is, however, only 53% of the EU average.

3.2. *Population - Demographic Change*

According to the 2001 census, the population of the Region of Western Greece is 741,282. Although this makes it the fourth most populated Region in Greece, it contains only 7% of the country's total population.

The population of the Prefectures of Aitolokarnania and Ileia is chiefly rural. Only 33% and 25% respectively is urban, compared to 66% in the Prefecture of Achaia.

The Municipality of Patras is the most heavily populated (167,602 according to the National Statistical Agency's 2001 census). However, there are another sixteen (16) municipalities in the Region with a population of over 10,000 inhabitants (Agrinio, Messolonghi, Nafpaktos, Amfilochia, Oiniades, Aigio, Rio, Amaliada, Ancient

Olympia, Zacharos, Pirgos, Skyllounto, Messatida, Dimi, Gastouni and Vouprasia). A further twenty-seven (27) municipalities have a population of between 5,000 and 10,000 inhabitants (2001 census).

On the whole, significant increases in population have been observed mainly in the coastal municipalities of the Prefectures of Achaia and Ileia, and along the road axis between Nafpaktos and Agrinio in the Prefecture of Aitoloakarnania. The population of most upland municipalities, however, is shrinking, indicating the lack of development in the mountainous areas of the Region.

Due to the proximity to countries both within the European Union (internal boundaries) and non-EU countries on its borders, the Region of Western Greece experiences considerable immigration and repatriation. The table below displays the population development of the Region for the years 1971, 1981, 1991, 1996 and 2001 as well as the rate of change compared to the rest of the country.

Prefecture	Total population				Last census	Percent. Change
	1971	1981	1991	1996	2001	1971- 2001
Aitol/nia	228.989	219.764	228.180	234.578	224.429	-1,9%
Achaia	240.854	275.193	300.078	316.628	322.789	+34%
Ileia	164.061	160.305	179.429	182.610	193.288	+17,8%
RWG total	633.904	655.262	707.687	733.816	741.262	+16,9%
Country total	8.768.128	9.740.417	10.259.900	10.475.878	10.964.000	+25%

Data: National Statistical Agency of Greece

Table 1: Population Development

From the table above it is evident that the Prefecture of Achaia is the most densely populated in the Region. Moreover, its Average Yearly Rate of Change is positive and higher than the national average for both decades. In contrast, during the decade 1971 –1981 the Prefectures of Aitoloakarnania and Ileia displayed signs of a shrinking population, which however, was reversed during the decade 1981 – 1991.

Following the recent administrative division (Law 2539/97), the Region of Western Greece consists of 74 OTA (Local Government Organizations), as indicated in the table below:

	Aitoloakarnania	Achaia	Ileia	RWG Total
Municipalities	29	21	22	72
Communities	--	2	--	2
Total	29	23	22	74

Table 2: Local Government Organization in the Region of Western Greece

3.3. Basic Economic Data

Although the Region of Western Greece produces 5.7% of the gross domestic product (4th largest contribution), it is next to last (12th) among the country's Regions in per capita produce. All three of the Region's prefectures lag behind the national average. Moreover, the per capita product of its inhabitants is only 53% of the average in the EU, which ranks among the lowest in all the Regions of the European Union. The progression of the Region's per capita GDP is displayed in the following table.

Per capita GDP as a percentage of the national average:

Prefectures	1992	1993	1994	1995	1996	1997	1998	1999
Aitoloakarnania	77,2	75,1	72,4	72,0	72,7	73,9	74,3	74,3
Achaia	95,4	85,7	86,2	88,7	89,6	90,3	89,5	89,2
Ileia	75,9	72,7	79,5	78,7	75,5	74,6	75,6	75,6
Region's Total	85,0	79,0	80,0	81,0	81,0	81,0	81,0	81,0

Source: *The Prefectures of Greece 2001*, all media publications – “Epilogi” Magazine

Table 3: Per capita GDP

The region accounts for 11% of the country's agricultural produce, 4% of its manufacturing and 5% of its services. In the long term one can observe a reduction in the contribution of the primary sector to the GDP of the Region, however it still remains high in relation to the corresponding percentage for the country, which fluctuates at 8.0%. The differentiation in this sector between the prefectures of the Region is evident in the following table. In the prefectures of Aitoloakarnania and Ileia, the percentage is over twice that of the prefecture of Achaia. The secondary sector in the Region accounts for approximately the same percentage of the GDP as it does in the country as a whole. Although in the prefecture of Achaia this percentage has fallen, manufacturing still accounts for a comparatively significant proportion of its produce. In the tertiary sector, the Region displays a steady rate of increase as in the country as a whole.

Sector	1992	1995	1998
Agriculture	19,0	20,0	15,0
Manufacturing	23,0	21,0	23,0
Services	58,0	59,0	62,0

Source: *The Prefectures of Greece 2001*, all media publications – “Epilogi” Magazine

Table 4: Percentage Distribution % of GDP for the Region of Western Greece

The Primary sector in the Region of Western Greece is a significant source of employment and commercial activity. However, it remains uncompetitive due to high costs, the low quality of the products as well as weaknesses in the field of distribution and merchandising. The scale and intensity of agricultural production varies between the three prefectures. The primary sector plays a more significant role in the

economies of Aitoloakarnania and Ileia, which can be classified as predominantly agricultural prefectures.

The mechanization of agriculture has proceeded at a rapid rate over last few years with beneficial results in productivity. Together with mechanization, considerable progress has also been made in the field of processing. The main categories of agricultural produce are olives, market garden produce, citrus fruit, grapes, processed tomatoes, cotton and tobacco. Rather less satisfactory is the productivity of stock rearing, which accounts for only a small proportion of agricultural income, while the prospects for exploiting forest resources for wood products are limited. However, significant advances have been made in the fishing sector, particularly in inland waters and aquaculture in which the Region has a comparative advantage due to its geomorphology.

The Secondary sector during the period 1984-1992 was marked by the severe de-industrialization that struck Patras, a city with a long manufacturing tradition. However, the last few years have witnessed a recovery through the restructuring of the manufacturing base and the shift from traditional but declining concerns (large units), towards more competitive and viable activities. Despite these problems, the Prefecture of Achaia produces 3.1% of Greece's GDP in manufacturing, a much larger percentage than the 0.5% produced by the prefectures of Aitoloakarnania and Ileia. In conclusion, Achaia may be characterized as the predominantly manufacturing prefecture of the region.

From the data in table V it is evident that manufacturing activity is chiefly concentrated in the sectors of food and drink, clothing, the wood-cork industry, the manufacturing of metal products and construction. A characteristic feature is the fact that 92% of the enterprises shown in the table employ no more than four workers. Positive prospects for further development are displayed in the processing of agricultural, stock-rearing and fishing produce.

The Tertiary sector in the Region of Western Greece is an increasingly important element in the formation of the region's GDP, and has retained a stable percentage of the productivity of the tertiary sector on a national level. The largest contribution is that of the prefecture of Achaia. The Region of Western Greece has a number of comparative advantages in the tertiary sector, particularly in the field of transport. Patras is the country's main gateway to Western Europe and a critical transport hub. As a result, there has been intense development of international sea transport and trade to and from its port. The prospects for developing tourism are also favourable. Although these have not yet been adequately exploited, the Region processes significant natural, cultural and tourist resources.

In addition to sectors above, the capital of Western Greece has also made great progress in its health services, education, research and development as well as productive services.

SECTOR	Aitolo- akarnania	Achaia	Ileia
Various Enterprises	313	48	46
Mining of coal, lignite and peat	--	1	1

SECTOR	Aitolo-akarnania	Achaia	Ileia
Other mines and quarries	10	6	8
Food and beverages industry	356	488	332
Tobacco products industry	2	--	--
Manufacture of thread and weaving material	13	74	25
Manufacture of clothing items: processing and dyeing of furs	60	289	36
Processing and tanning of leather, manufacture of luggage, handbags, saddlery and footwear	11	50	2
Wood industry and manufacture from wood and cork, except for furniture, basketry and other woven products	111	181	115
Manufacture of wood pulp, paper and paper products	1	15	3
Publications, printing and broadcasting of pre-recorded sound and vision or information media	27	76	16
Production of coke, products of oil distillation and nuclear fuels	4	8	4
Manufacture of chemical substances and products	6	19	6
Manufacture of products from rubber and plastic materials	3	15	2
Manufacture of other products from non-metallic ores	42	101	47
Production of basic metals	4	12	4
Manufacture of metal products, with the exception of machinery and equipment	66	172	91
Manufacture of machinery and equipment	16	48	22
Manufacture of office equipment and computers	--	2	--
Manufacture of electrical machinery and appliances	5	20	2
Manufacture of equipment and appliances for radio, television and communications	--	5	1
Manufacture of medical instruments, precision instruments, optical instruments and clocks of all kinds	4	16	4

SECTOR	Aitolo-akarnania	Achaia	Ileia
Manufacture of automobile vehicles, towed and semi-towed vehicles	3	7	1
Manufacture of other transport equipment	4	9	--
Manufacture of furniture and other industries	39	143	46
Provision of electrical power, natural gas, steam and hot water	--	2	--
Collection, cleaning and distribution of water	4	2	2
Construction	710	1255	739
Sale, maintenance and repair of automobile vehicles, motorcycles, retail sale of fuel for automobile vehicles	541	745	394
Wholesale trade and trade with commission, apart from the sale of automobile vehicles and motorcycles	408	852	310
Retail trade, apart from the trade in automobile vehicles and motorcycles and repair of personal and household goods	2.993	4.476	2.181
Hotels and restaurants	1.171	1.505	837
Overland transport and transport via pipelines	534	759	243
Transport via water routes	5	11	--
Ancillary transport related activities, travel agency activities.	54	198	38
Post offices and telecommunications	4	8	1
Insurance and pension funds, apart from compulsory social security	3	32	13
Activities related to intermediary credit financing organizations	15	39	3
Real estate management	6	17	4
Leasing of unmanned machinery and equipment, rental of personal and household goods	17	31	36
Information Technology and related activities	1	15	4
Research and Development	--	6	--
Other entrepreneurial activities	357	1.039	291

SECTOR	Aitolo-akarnania	Achaia	Ileia
Public administration and defence, compulsory social security	--	2	2
Education	55	128	49
Health and social welfare	31	87	18
Waste disposal, public health and related activities	1	7	6
Activities of organizations	74	28	8
Entertainment, cultural and sports activities	68	142	37
Other service related activities	105	268	85

Source: National Statistical Agency, Enterprise Research, 1995

Table 5: Number of Enterprises by Sector and Prefecture

Levels of Education

The proportion of the work force educated up to primary level is significantly greater than any other category. It accounts for 54,8% of the total, which is significantly higher than the national average of 38,1% (1997).

The work force with a middle school education account for 11,2%, while those with a high school education account for 23% of the total (national averages are 10,4% and 28,6% respectively). Only 11% of the work force has a Higher, Graduate or Postgraduate level education, compared to the national average of 22,9%. However, a characteristic feature of the Region is the fact that 5.2% of the country's postgraduate degree holders are employed within it, a figure that ranks the Region third in the country.

Employment

The available workforce of Western Greece amounts to 254.202, while those in employment amount to 232.816 (1997). Over the last few years (1991-1997), the gap between the available work force and those in employment has narrowed, despite the total increase in the population of the Region.

The primary sector employs 41.5% of the workforce, 17.6% are employed in the secondary sector and 40.9% in the tertiary sector, the corresponding national figures are 19.8%, 22.5% and 57.7% respectively (1997). Over the period 1993-1997 there was a small reduction in the percentage employed in the primary sector and a small increase in the percentage employed in the secondary and tertiary sectors. This reflects a clear upward trend for the secondary, and to some extent the tertiary sector, at the expense of the primary sector.

Work Force

The importance of the primary sector for the Region was indicated in the previous paragraph, and is plain to see from the following data on employment. The primary sector constitutes the chief source of employment, absorbing 41.5% of the Region's workforce (data 1997).

Workforce	254.202
Employed	232.816
% Primary Sector	41,5
% Secondary Sector	17,6
% Tertiary Sector	40,9

Source: Regional Development in Greece, Springer, N. Konsolas – A. Papadaskalopoulos – I. Plaskovitis

Table 6: Distribution of occupations between productive sectors (1997)

The unemployment rate in the Region of Western Greece follows the upward and downward trends of the rest of the country, but the fluctuations are more severe. In 1997, the Region had the lowest unemployment rate of the last few years; the following year it rose dramatically, passing by far the national average. The data indicates that from this point in time a gradual but steady reduction in unemployment has begun. The last survey by the National Statistical Agency, in the 2nd quarter of 2001, places it at 9.9%.

Unemployment

The rate of unemployment in the Region stands at 8.41% and is lower than the corresponding national average of 10.25% (1997).

Over the last few years, the rate of unemployment in Western Greece has shown a downward trend. Specifically, the rate of unemployment in 1993 was 10.6%, while in 1997 it fell to 8.4% (the corresponding national figures were 9.7% and 10.3%). Of the total number of unemployed, 67.7% faced long-term unemployment, as opposed to the national average of 57.1%. Women constitute 12.9% of the unemployed, while youth account for 29.9% (the corresponding national figures are 15.9% and 32.2% respectively). From these figures, it appears that although the Region is overcoming the crisis in the manufacturing sector, it will be left with a legacy of high long-term unemployment.

Source: Processed data of the National Statistical Agency's Workforce Research

3.4. Prosperity Indicators

	Year	Region Western Greece		National Average	Ranking among the 13 Regions
Per capita GDP	2003	10,4	Thousand EURO	13,9	13
Savings deposits per inhabitant	2002	4,90	Thousand EURO	8,32	13
Declared income per inhabitant	2003	10,7	Thousand EURO	12,5	9
Income tax per inhabitant	2003	0,71	Thousand EURO	1,08	9
Natural population growth / 1000 inhabit.	2002	-0,49		-0,03	5
Pupils in Secondary Education / 1000 inhabit.	2002	71		66	2
Primary pupils/ 1000 inhabitants	2002	60		59	9
Unemployment Rate	2004	12,3		10,5	4
Percentage contribution to National Totals					
GDP	2003	4,9	%		7
Taxed	2003	5,6	%		4
Declared income	2003	4,8	%		4
Income tax	2003	3,7	%		4
Savings Deposits	2003	3,9	%		7

Source : www.economics.gr

Table 7: Prosperity Indicators

4. Administrative Organization

The Region of Western Greece is an autonomous, unified, decentralized Administrative Unit of the Central Administration, and is responsible for planning, coordinating and implementing policies for the economic, social and cultural development of the region. As an autonomous administrative unit, the Region has its own personnel and budget.

4.1. *Western Greece Region Secretary General*

In accordance with current legislation, the General Secretary of the Region is a transferable employee belonging to the category of special posts. He holds a grade 1 post and is appointed, dismissed and transferred from Region to Region by act of the cabinet, which is issued after recommendation by the Minister of the Interior, Public Administration and Decentralization.

The General Secretary of the Region is a representative of the Government and responsible for the execution of government policies in issues pertaining to the Region.

The General Secretary is head of all the services in the Region. He directs, coordinates, oversees and controls the activities of the services and employees of the Region.

He is the disciplinary authority of the employees of the Region and may reprimand or impose a fine of up to a month's wages. The General Secretary is also head of the police, fire and port authorities in the region.

The responsibilities assigned or transferred to the services of the Region, as well as all other briefs granted or assigned by law are the exclusive competency of the General Secretary.

In accordance with current legislation, the General Secretary of the Region supervises those Legal Institutes Governed by Public Law (NPDD), that operate in the Region and are not supervised by prefectural administrations, municipalities, communities or ministries.

The Director General, replace the Secretary General of the Region in case of absence.

4.2. *Department of Planning & Development*

The competencies of the Department of Planning and Development of the Region of Western Greece (D.I.S.A.D.E) were established by the Organization of the Region in accordance with Law 2503/97 and include the following:

- The specialization of Regional policy at a Regional level.
- The implementation of the processes of democratic programming the annual and middle-term programmes of regional development.
- Development incentives and the promotion of new institutions.

In addition, the Department is also competent in matters relating to the community support framework and investment policy. Within the framework of its competency for evaluating and approving investments for inclusion in the relevant development laws, the Department receives, evaluates and promotes development proposals from private enterprises.

The Department, in accordance with the regulations set for the Organization of the Region in Law 2503/97, consists of four (4) SECTIONS:

a. Regional Policy Planning

Competencies:

- Composition of proposals for the formulation of Regional policy
- Specialization of goals and directives of Development Policy at a Regional level
- Responsibility for the compilation and approval of the Regional Development Programme, coordination of agencies executing and observing the course of the Programme's implementation.
- Recommendation to the Regional Council for approval of midterm Prefectural Development Programmes
- Preparation of general and specialized development studies concerning the Region
- Assessment of the viability of founding Municipal enterprises.

b. Programme Implementation and Works Management

- The composition, final formulation, and responsibility for approval and observation of the implementation of annual programmes of Public Investments at a Regional Level, in accordance with the circular of the Min. of the Economy. The Region of Western Greece is divided into two sections. The first includes works co-funded by the European Union, and the second works funded by National Resources.
- Supervision and inspection of implementation of programmes during the compilation and execution of Prefectural Programmes at a Regional Level. Agreement over monthly funding from the Ministry of the Economy for payment of accounts of Prefectural works. (EAFI Special Development Resource).
- Recommendation to the Regional Council on the proposals of the Region regarding the National annual programme and amendments (National resources).
- Dispatch to Regional Fund for payment of selected works and studies inducted in the Collective Decision Regional Works & Studies (ΣAEII and ΣAMII) of the Region of Western Greece.
- Amendment of programmes, budgets, handling of emergencies (disasters, fires, flooding etc.), compilation and supervision of special programmes. (Olympic Works, ΣAEII 101, National Resources).

c. Regional Development Incentives Section

The promotion of evaluation and approval procedures of private investments, the inspection of these and the implementation of the provisions regarding incentives, specifically:

- The reception, informing and service to investors on all matters concerning the promotion and materialization of private investments, within the framework of development laws.
- The receipt and responsibility for the legality and completeness of submitted investment proposals (files) as well as contact with investors for the provision of any secondary supplementary documentation or clarification.
- The technical and economic evaluation of investment proposals that come under development laws (up to 2,1 mill. Euros for Law 2601/98) or their modification (reformulation – finalization of cost, extension of investment completion deadline, approval of title change – change of company composition of capital of the investment agency, reversal of decision and return of assistance, etc.) and their forwarding to the Advisory Committee for assessment. The preparation of the Advisory Committee’s order of the day and its secretarial support.
- The responsibility for the issue of decisions of approval, amendment or rejection and decisions regarding the completion of investments and start of productive operation of the relevant unit, in accordance with the decision of the Advisory Committee. The responsibility for the statistical follow up and computerization of the data of all decisions, details of evaluation files and data on the implementation progress of decisions and disbursements.
- The technical and economic supervision of the progress of investments under development laws by the Department. The supervision and inspection of compliance with the obligations undertaken by investors during the stage of operation and the set-up of Inspection Organs. The inspection of progress reports of investments in accordance with decisions of approval for induction under development laws for the provision of incentives. The inspection of documentation for payment of grants and interest rate financing and the preparation of the relevant decisions. The transfer of payment records to the competent authorities and proposals for the distribution of credit to them to cover cheques issued.

d. Water Resource Management and Mineral Wealth Office

5. Schematic presentation of the innovation system

5.1. **Central Government innovation Policy Scheme**

The most important public organizations explicitly involved in innovation funding are the Ministry of Development (MoD), through its General Secretariats for Research and Technology (GSRT) and for industry (GSI) and the Ministry of Economy and Finance (MEF), through the Units for Private Investments, Public Investment and Fiscal policy.

According to the European Trend Chart on Innovation -2006 Report, the GSRT has promoted innovation since the early 1980s, running its own funding schemes and legal instruments, which gradually move away from their focus on RTD funding to support the exploitation of research results. The instruments they use for policy elaboration and implementation are:

- a) the legal frameworks (laws, presidential degrees and ministerial decisions) on incentives to private investments, taxation of business firms, operating the public research centers, financing RTD and exploitation of public RTD results
- b) the multi - annual programming documents, accompanied by rules for implementation, monitoring and control, related to incentives to private investment, RTD, creation of technology transfer mechanisms and the like.

GSRT

The GSRT is an active catalyser of decision favoring innovation in Greece. The GSRT employs approximately 170 people of which 25 are PhDs and another 60 hold university degrees.

GSRT is structured by a planning unit, operational units and administrative/organizational support units.

At the implementation level, the GSRT is in charge of for:

- supervising 12 research centers of relatively medium and small size, six small corporations promoting the diffusion of technology and technology services in specific areas of economic activity, the Patent Office of Greece and a Technology Museum.
- funding university and industrial RTD on a project basis
- qualifying investment applications to the MEF for funding based on incentives to innovative and high technology ventures.

Other Institutions

Efforts made in the last twenty years to develop semi - public intermediaries out of existing organizations (Organization for SMEs and Handicrafts, Productivity Centre, Industrial Development Bank) have not survived their initiators.

The **MoD** is also in charge of industry, energy and natural resources, consumer protection and internal trade including EU trade.

The MoD also supports the establishment of new firms and supervises the organization for Small and Medium Enterprises and Handicraft Corporations, while at the same time overseeing the activities of the Greek Standards Organization, the National Certification Council and the National Metrology Institute.

Ministry of Economy and Finance (MEF)

MEF defines the macro -economic policy for Greece in the context of ECOFIN and ECB guidelines and rules. It manages incentives to private investment, which include grants to investors or subsidies of credit interests. The legal framework enables special support to be given to innovative companies and to investments in high technology products and services.

At a tax policy level, the MEF offers accelerated amortization for investment in RTD equipment and a tax reduction for RTD expenditures at a rate of 50% from the taxable profits (since 2002) in order to encourage companies to follow more creative strategies. According to the latest amendment (2004) of this mechanism, RTD expenses have to be certified by the GSRT in order to qualify for a tax reduction.

The MEF is also in charge of the regional development policy, which is implemented via the Operational Programmes co- financed by EU Structural Funds.

The Operational Programmes 2000- 2006 for competitiveness (OPC) and for the information Society (OPIS) provide relatively limited funding for innovation and RTD addressing economic needs.

Ministry of Education

A third important partner is the Ministry of Education which has already promoted various legislative acts to modernize the education system, including:

- the introduction of compulsory evaluation and quality assurance in universities and technological colleges.
- the enhancement of life long learning mechanisms.
- common post graduate curricula between Greek and foreign universities.
- the establishment of a School of European Education

- the creation of 81 new departments in universities and technological colleges and the regularization of their funding.
- an increase in the basic admission criteria to universities and technological colleges
- a reorganization of the admissions procedure for students from foreign universities.

Other public authorities that can have an impact on innovation policy are:

- The Ministry of agriculture
- The Ministry of Public Works and Environment
- The Ministry of Transport and Communications
- The Ministry of Health
- The Ministry of Defense

The Table below shows Government Appropriations on RTD by Ministry (ME)

	1999	%	2002	%	2003	%	2004	%	2005	%
Min of Education	190.0	54	266.1	65	279.9	61	309.2	59	317.0	57
Mi. of Development	123.0	35	100.3	25	132.8	29	182.1	34	203.3	36
Min of Agriculture	25.3	7	30.1	7	32.7	7	23.0	4	24.0	4
Min of Defense	3.0	1	2.5	1	2.7	1	2.8	1	2.9	1
Min of Economy & Finance	3.7	1	3.4	1	3.7	1	3.6	1	3.7	1
Ministry of Culture	2.1	1	3.2	1	3.6	1	4.5	1	4.5	1
Other Ministries	2.4	1	3.1	0	2.5	1	2.1	-	2.1	-
TOTAL	349.4	100	406.9	100	457.9	100	528.3	100	558.0	100

Source GSRT

Table 8: Government Appropriations on RTD by Ministry

The table below shows selected key organizations within the National Innovation System.

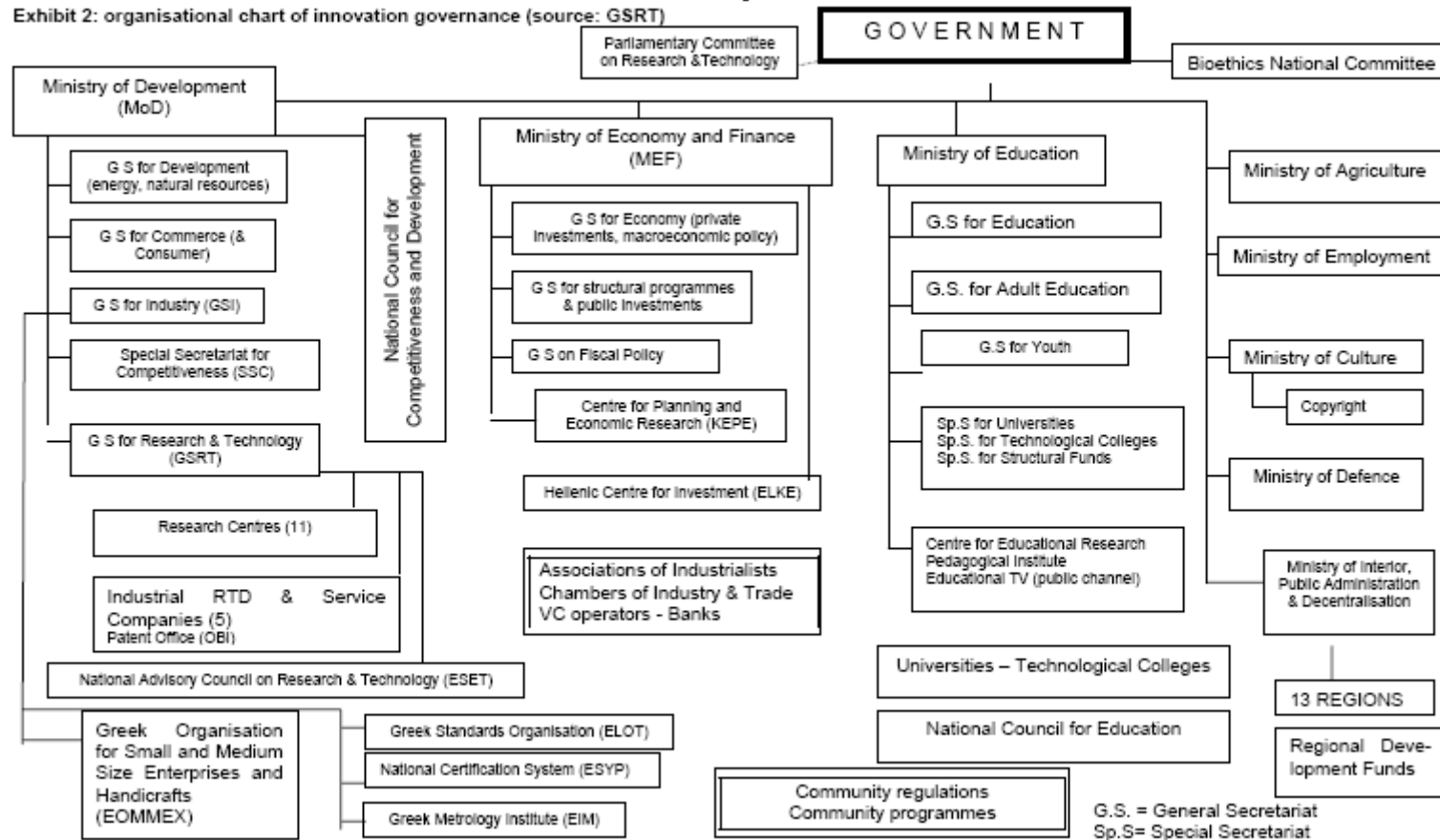
Type of Organization	Name of Organization (in English)	Website (where available)
Government and Legislative Bodies		
	Ministry of Development - (MoD) MoD – General Secretariat for Research and Technology MoD – General Secretariat for Industry MoD – Special Secretariat for Competitiveness Ministry of Economy and Finance (MEF) National Competitiveness Council National Research and Technology Council National Competition Committee	www.ypan.gr www.gsrt.gr www.ggb.gr www.antonistikotita.gr www.mnec.gr
	MEF – Directorate General for Investment and Foreign Capital Greek Investment Centre (ELKE)	www.mnec.gr www.elke.gr
	Ministry of Education (MoE) MoE – Special Secretariat for the European Structural Programme	www.ypepth.gr www.epeaek.gr
Private Sector Organizations and Entrepreneurship Promotion		
	Federation of Greek Industries Federation of Northern Greece Industrialists Association of Young Entrepreneurs	www.fgi.org.gr www.sbbe.gr
Knowledge Institutes (R&D and Education Bodies)		
	Universities, the 5 most important being: <ul style="list-style-type: none"> - University of Athens - University of Thessaloniki - Technical University of Athens - University of Patras - University of Crete 	
	Public RTD Centers, the 5 most important being: <ul style="list-style-type: none"> - Dimokritos Science Research Centre - Foundation for Research and Technology – Hellas (FORTH) - Greek Marine Research Centre (ELKETHE) 	

Type of Organization	Name of Organization (in English)	Website (where available)
	<ul style="list-style-type: none"> - Centre for Research and Technology (EKETA) - National Agricultural Research Institute (ETHIAGE) 	
Industrial research centers and innovation intermediaries		
	Organisation for Small and Medium Size Organisations and Handicrafts (EOMMEX)	www.eommex.gr
	Athens Chamber of Commerce and Industry (EBEA)	www.ebea.gr
	Industrial Property Organization (Patent Office)	www.obi.gr
	Industrial RTD and T-Service Companies	
	Standards and metrology organizations	
	Science and technology popularization organizations	
	Innovation Centre Athens	
	Hellenic Innovation Relay Centre (NRF)	www.hirc.gr
Financial System		
	TANEO	www.taneo.gr
	Hellenic Ventures SA	

Source: *European Trend Chart on Innovation – 2006 Report*

Table 9: Key Innovation Organizations

The following figure presents National Innovation Governance System in Greece



Source: GSRT

Figure 2: Greek National Innovation System

5.2. Regional Innovation Policy Scheme

As described in the European Innovation TrendChart 2006 Report for Greece, the first effort to organize state support for regional innovation initiatives in the early 1980s, were short - lived, due to a lack of demand for such services and an adequate decentralization of decision making from national organizations, which provided for public funding, to regional bodies.

A second organized effort was made in the late 1980s, with the creation of "science and technology parks" in several cities around the country. These structures had a very limited impact on the innovation performance of the region and of the research centers.

Regional authorities and local actors were more involved in innovative thinking in the context of the EU's RIS and RITTS programmes in the late 1990s. Few regions had been able to demonstrate an endogenous capacity for innovation policy building.

When the Greek Government initiated the preparation of the regional Operational Programmes of the 3rd Community Support Framework (2000), in coordination with EU's regional policies, the national authorities required innovation priorities to be established by each region. The RIS + RITTS reports, prepared in previous years, were of high value responding to this challenge. Because of structural difficulties derived from a lack of appropriate procedures and staffing for implementation, regions asked GSRT to implement innovation related schemes (call for proposals, evaluation and project selection). The resulting projects are financed by the region.

The regional General Secretariats are staffed with civil servants transferred to the regional services from other administrations where the required corresponding competences belonged before. The Managing Authorities of the Regional Operational Programmes have mixed staff from inside and outside the civil service, with a special status including contractual conditions and salary terms.

Although average level of training of this personnel is generally considered to be higher than that of other staff members, job description do not usually mention any requirements for innovation promotion. Moreover, regional civil services have no authority to fund non- public legal entities.

The figure below provides information concerning regional governance of innovation matters.

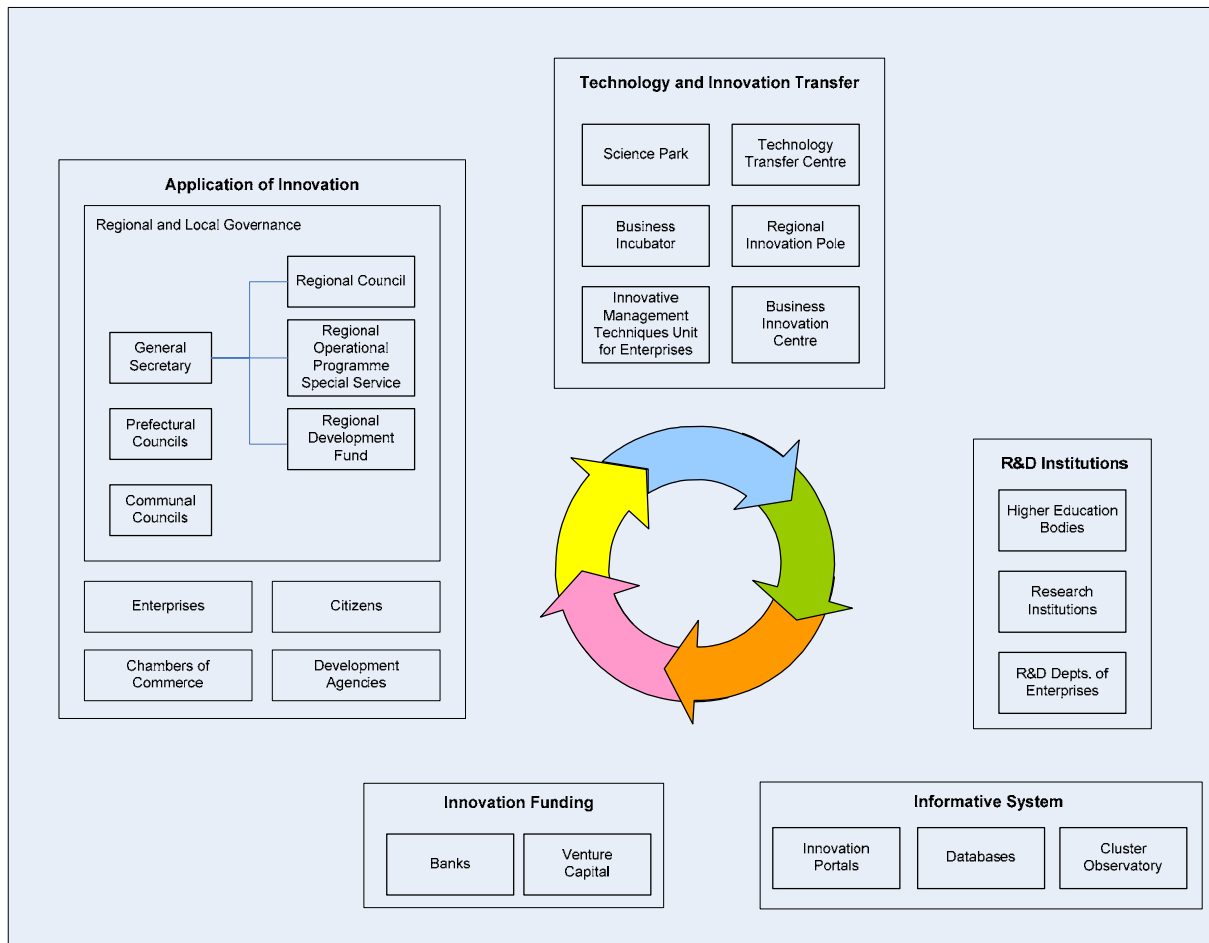


Figure 3: Regional Innovation System

The following Table shows the responsibilities of the various governance levels in Greece, putting emphasis on innovation policy making.

Level of Regional /local government	Legislative &/or administrative authorities	Powers related to innovation policy if any
13 regions	<p>The General Secretary of the Region (GSR) manages the services of the regional administration and the Authority of the regional Operational Programme. He/she is appointed by the Government (Minister of Interior and Civil Service) and reports to the Ministry of Economy and Finance for the management of the Operational Programme of his/her region.</p> <p>A regional Council composed of representatives of various elected bodies of the Region (prefectures) and social partners advise the GSR</p>	<p>The regional Operational Programmes, co-funded by the EU Structural Funds, support innovation, entrepreneurship, RTD and related activities. The GSR decides the priorities and the content of the Operational Programme after consulting the regional Council. Decisions by the GSR must be approved by the national authorities (Ministries of Economy and Finance, and of labor) and to the Commission (FEDER and ESF).</p>
52 Prefectures (nomos)	<p>Prefect (nomarchis) directly elected every four years.</p> <p>Prefectural Council</p> <p>Chamber of Trade and Industry</p>	<p>Submit proposals to the Regional Authorities for financial support</p> <p>Issue certificates for the firms in their area of competence</p>
Communities	<p>President of the Community (dimarchos) directly elected every four years</p> <p>Communal Council</p>	<p>Submit proposals to the Regional Authorities for financial support.</p> <p>Encourage innovative activities using own resources.</p> <p>Communities have their own resources from taxes collected by the national tax authority and through the electricity bills</p>

Source: *European Trend Chart on Innovation*

Table 10: Innovation and levels of regional governance

6. Innovation Policy Beneficiary Bodies

This section presents a list of the main bodies in the region of western Greece that are beneficiaries of innovation policy measures (*Source: Region of Western Greece*).

Chambers of Commerce (3)

Chamber of Aitoloakarnania
Chamber of Achaia
Chamber of Ileia

Development Agencies (47)

Business Innovation Centre Western Greece
SME Support Centre
Aitoliki Development S.A. (AITOLIA S.A.)
Development Agency Aitoloakarnania (ANAIT S.A.)
Development Agency Trihonida S. A.
Development Agency of Olympia S.A.
GEOTTE –Western Greece Branch
EAS Agrinio (Union of Agricultural Cooperatives)
EAS Egio (Panaigialios)
EAS Amaliada
EAS Vonitsa
EAS Gastouni
EAS Kalavrita
EAS Lehena
EAS Mesolonghi – Nafpaktos
EAS Xiromero
EAS Olympia – Elia
EAS Patras
National Foundation for Agricultural Research (ETHIAGE) – Institute for Plant Protection Patras
Scientific Park of Patras
Academic Research Institute of Computer Technology (RA-CTI)
Research Institute of Chemical Engineering & High Temperatures (EIHIMIT)
Electronic Centre of Commerce of Western Greece
Therapeutic Pedagogic Centre “I MERIMNA”

Institute for Biomedical Technology (INBIT)
Institute for Industrial Systems (INBIS)
Labour Institute of the Greek Labour Union GSEE / ADEDI – Western Greece
Fish-Farming Centre Acheloou S.A. (IHTHIKA)
Prefectural Development Agency “Iliaki” S.A.
Prefectural Development Agency Achaia (NEA)
Chamber of Economics - Western Greece
Patras Port Organization
Industrial Union of the Peloponnese
Local Union Of Municipalities of Aitolokarnania
Local Union Of Municipalities of Achaia
Local Union Of Municipalities of Ileia
Technical Chamber of Greece – Aitoloakarnania branch
Technical Chamber of Greece – Western Greece branch
Municipal Development Agency of Patras (ADEP)
Municipal Agency for Cultural Development Patras
Business Guide to Western Greece
City of Patras
Guide to Western Greece
Economic newspaper of Patras
Patras Science Park
Centre for Local Development of Western Greece (KTADA)
Institute for Development of Western Greece (INADE)
Centre for Business and Technological Development (KETA)

Regional Education Bodies (5)

Hellenic Open University
University of Ioannina Section of Agrinio
University of Patras
Technical School of Mesologi
Technical School of Patras

Business in The Region of Western Greece (14 business sectors, 43206 enterprises)

Agriculture, Animal Farming, Hunting (180)

Forestry, Logging (81)
Fishing (52)
Mining, Quarrying (34)
Manufacturing (5171)
Construction (2299)
Trade, Maintenance, Repair of Motor Vehicle (1877)
Wholesale Trade (3321)
Retail Trade (10042)
Hotels and Restaurants (9331)
Transport, Storage and Communication (1902)
Financial Intermediation (979)
Provision of Services (2300)
Public Benefit Activities (1146)

Innovation Bodies (1)

Project Archimedes Web Portal / Online Services

7. Service innovation related policy measures

Service innovation related policies at the level of OECD countries

Innovation has been recognized as a key to growth (OECD, 2001a), but the role of service- sector innovation has long been under – appreciated. This is due to some extent to the difficulty to measuring innovation in the service sector, a patchwork of different industries with significantly different innovation processes.

R&D expenditures are often employed as a proxy for innovation, although they measure just one input into the innovation process. Even in manufacturing R&D generally amounts to only about half of total investments in innovation (OECD, 2001). In services the share is even smaller. There is evidence that innovative activity in services is organizational and disembodied in nature so that it escapes standard measures (de Laat, Callon and Laredo, 1997).

It has long been recognized that innovation in the service sector differs from innovation in the manufacturing sector. Some have characterized the process of service innovation as a reverse product cycle (Barras, 1986; OECD, 2001b). According to the cycle a firm first adopts new technology to improve the efficiency of an existing process. Next, the improved process generates a significant improvement in the quality and delivery of the services provided. Finally, the new technology provides the basis for an entirely new service, usually in a different field.

Others suggest that innovation in services is mostly non technical and occurs with small and incremental improvement in processes and procedures (OECD, 2000)

Sundbo and Gallouj (1998) distinguish among four types of innovation.

- Product innovation
- Process innovation
- Organizational innovation
- Market innovation

Those authors highlight the latter two as being most pronounced in the service sector.

A fifth type has been proposed, namely ad hoc innovation. This term is referred to a specific solution to a particular problem posed by a customer (OECD,2001).

To date, the service sector has not been a major target of innovation policy. Innovation policy measures in most OECD countries are sector – neutral and address firms in both services and manufacturing. Countries do not, usually, discriminate between services and manufacturing, when considering firms for participation in government support programmes. This trend is part of a continuing shift away from specific sectoral policies and towards common industry frameworks.

Beyond this general shifts in focus, some countries have begun to implement policies to encourage innovation in specific service industries.

1. Most concentrate on development and use of ICT

2. Some focus on the establishment and maintenance of an ICT related business environment developing standards for e- commerce and encouraging public procurement via e- commerce.
3. Policy measures for human resource development in the service sector are also aimed at ICT –related sub-sectors, such as educational support to ICT related human resources and training in ICT related skills.
4. Some countries focus on encouraging clustering and networking because knowledge acquisition is a major source of innovation in service sectors.
5. Supporting small and medium – sized enterprises (SMEs) and encouraging entrepreneurship are also recorded targets of government policy measures. Most of which focus on ICT industries.

Service innovation policies - The case of Greece

The economic development of modern Greece has mainly been based on the transfer of embodied technology from abroad, the exploitation of natural resources (including countryside and cultural heritage), and the satisfaction of national demand. In the education system recent reforms concentrated on the primary and secondary education and on extending tertiary education. Research (GERD) remains at 0,6% of the GDP, 70% of which is funded by the Greek government and the EU. This context does not generate favorable conditions for endogenous innovation.

The civil service made the first efforts to establish a national innovation system at the time of Greece's accession to the European Communities. This followed the introduction of project funding of research in universities and preceded the provision of grants to industry for RTD projects and the creation of local innovation offices (1980- 1985). These early efforts, guided by foreign expertise, failed to generate concrete results, mainly because they were made at administrative levels without clear government support. Linkages with private initiatives remain hectic.

Greek knowledge production activities (research) have traditionally been dominated by the public universities, which perform approximately half of the national RTD.

Beyond the universities a number of public research centers contribute to the training of researchers and to the Greek involvement in the international science system.

The weakest part of the science system in the country is the business sector, which has traditionally depended on embodied technology transfer and foreign technical assistance for its modernization and development.

In the production system the trend is to expand services while agriculture and manufacturing are stagnant or even shrinking.

In the period 1998-2000 the number of innovating companies increased considerably to 27,3% (**GSRT,2004**)

In the financing area, public appropriations and bank loans dominate the landscape. The EU plays a crucial role in the co- funding of RTD and private investment, both through the Structural Funds and the Framework Programme for RTD. Funds are directed to RTD or to productive investment. Increased and more systematic attention to innovation has only been paid since 2000. Direct financial incentives to innovation were introduced after 2002.

Service Innovation Policies in the Region of Western Greece

A presentation of the service innovation policy measures for the region of Western Greece is given in the paragraphs to follow. The measures presented concern the time period after 2000 and are mostly funded through the structural funds (3rd Community Support Framework). It should be noted that in the Western Greece Region there are no specific measures targeting services, however the existing measures do not exclude services. As a matter of fact, innovation rates are higher in services.

For the case of Western Greece Region, two types of innovation policy measures are applied:

- national level measures, that are issued and managed nationally and apply to all regions
- regional level measures, that are issued and managed regionally

Since the innovation system in Greece is relatively centralized, most of innovation measures are national measures.

7.1. Description of services innovation related policy measures

7.1.1. Measures with a national scope

The policies in place since 2000 adopted the following objectives aimed at tackling the weaknesses of the national innovation system (**GSRT,2004**):

- To increase of the demand for new knowledge and research results (incentives to existing companies in traditional sectors to modernize rapidly, encouragement of new entrepreneurs intensive sectors).
- To reorganize the research system and knowledge supply in the country.
- To further open the research system to international cooperation
- To develop RTD infrastructures, in particular in information, documentation and communication.
- Thematic/sectoral priorities: renewable energies, tourism and culture, sports, transport – navigation, food and agriculture, natural and man- made environment, health, new modes of work organization, e- learning, e-business.
- To increase the GERD/GDP to 1,5% and IFGERD/GERD to 40% by 2010 (IFGERD: Industry financed Gross Expenditure RD)

According to European Trend Chart (**2006**) on Innovation the country encounters three major innovation challenges

- Challenge 1: Low innovativeness and extroversion of business firms
- Challenge 2: Not enough RTD as a basis component of the business strategies
- Challenge 3: Lifelong learning remains the poor relative of the education and training

This section presents the national innovation policy measures, related to services that also apply to the region of Western Greece. Those measures reflect a sector neutral innovation strategy, addressing firms in both services and manufacturing sectors.

A brief list of the measures is presented, followed by a more detailed description of each measure.

The Table below provides a list of the country wide measures concerning the national innovation system.

Number	Title of measure	IPM Fiche Number*
N-1	Reinforcement of SMEs in subcontracting	GR 64
N-2	Regional Innovation Poles	GR 63
N-3	Metecho (participate)	GR 62
N-4	Energy demonstration projects for innovative technologies	GR 61
N-5	Training of human resources of firms on technological and organisational modernisation	GR 60
N-6	Training and transfer of know how for the start up of new business activities	GR 59
N-7	Clustering of SMEs	GR 58
N-8	Training in Research & Technology (R&T) management	GR 57
N-9	Human networks of research and technology training	GR 56
N-10	Research and Technological Development Consortia in Sectors of National Priority	GR 55
N-11	Encouragement of entrepreneurial activities, innovative applications and elective courses for tertiary education students	GR 54
N-12	Supporting entrepreneurial ideas through tertiary education structures	GR 53
N-13	Support for Integrated Business Plans of SMEs and microenterprises (SMEs and VSEs)	GR 52
N-14	International Co-operation in Industrial Research and Development Activities in the Pre-competitive Stage	GR 51
N-15	Certify yourself	GR 50
N-16	Excellence in the GSRT Supervised Research Centres and Institutes	GR 49
N-17	Support to female entrepreneurship	GR 48
N-18	Centres of Entrepreneurial and Technological Development	GR 47
N-19	Reinforcement of Youth Entrepreneurship	GR 46
N-20	Support of Incubators and S&T Parks in Greece - ELEFTHO Programme	GR 45
N-21	Programme for the Placement of Researchers from Abroad to the Greek R&T System - ENTER	GR 44
N-22	Research centres development and service providing projects with user participation	GR 43
N-23	Awards and financial support to inventors	GR 42

* The IPM Fiche Number is the number of the Measure, as listed in the TrendChart Innovation Policy Database. It is given for reasons of reference, where applicable.

Number	Title of measure	IPM Fiche Number*
N-24	Programme for the reinforcement of research manpower PENED	GR 41
N-25	Network yourself Programme	GR 40
N-26	Programme for the exploitation of research results through the establishment of academic spin offs PRAXE	GR 39
N-27	Employment of New Researchers in Enterprises (HERON)	GR 38
N-28	New Economy Development Fund S.A. (TANEO S.A.)	GR 36
N-29	Bilateral Cooperations for Research and Technology	GR 32
N-30	Networks - EDET (National Network for Science and Technology)	GR 30
N-31	Open Gates	GR 25
N-32	Programme Technomathia (Education in Crafts)	GR 15
N-33	Liaison offices (in universities, technical colleges, research centres)	GR 10
N-34	Technology Brokers: Development and networking of services provision enterprises in subjects relevant to technology transfer and know how	GR 9
N-35	Programme for the Development of Industrial Research & Technology (PAVET) in Young Firms	GR 8
N-36	Demonstration projects Programme - PEPER	GR 6
N-37	Investment law (Support to private investment for the regional development of the country)	GR 1

Table 11: National Service Innovation Policy Measures

A description of each measure is presented hereafter, based on the following template:

1. Description of the problem the policy measure seeks to solve
2. Goal and rationale of the measure
3. Running time of the measure
4. Resources allocated for the measure
5. Outputs and outcomes of the policy measure

The description of each measure was drawn from the TrendChart Innovation Policy Database.

N-1 - Reinforcement of SMEs in subcontracting

Geographic coverage

National

Legal Basis

State Aid regulation 70/2001

Keywords:

networking, subcontracting, SMEs

Description of the problem the policy measure seeks to solve:

The scheme supports the SMEs for developing subcontracting in the manufacturing sector. The aim is to accelerate their modernization and become more competitive.

Goal and rationale of the measure

The scheme aims at enhancing the competitiveness of the SMEs based in Greece and enabling them to participate in subcontracting activities according to established business plans and access networks and clusters of productive enterprises. The SMEs will benefit from the linkages with larger firms from the acquisition of technology and know how, the increase in productivity, the achievement of economies of scale, better access to information on international trends in technology and markets etc

Running Time of the Measure

start date: 2005, expected ending: 2008

Resources allocated for the Measure

Overall budget: 24.234.000 €

Outputs and outcomes of the policy measure

Number of products sold as a result of subcontracting activity, main clients, total quantities sold, total value of the products sold

N-2 - Regional Innovation Poles

Geographic coverage

National

Legal Basis

Laws 1514/1985 and 2919/2001, 2545/1997 (art.25), 2741/1999 (art.23), 2843/2000 (art.34b), 3259/2004 (art.34), 3279/2004, 3377/2005 (art.23), Presidential Decree 274/2000 modif. by PD 103/2003, PD 17/2001,

Keywords:

Innovation poles, networking, regional development

Description of the problem the policy measure seeks to solve:

The programme aims at the development of research and technological activities in business enterprises, the reinforcement of the innovation in the SMEs and the development of the public research and technological infrastructures of regional interest, related to the priorities of the poles. The programme will also support the establishment of technological "identity" of the pole, the preparation of a growth strategy and of a vision through foresight. The participants to the pole are S&T institutions, universities, technological colleges, chambers or unions of trade and industry, business firms, S&T parks and incubators and any other organisation with similar objectives in the region.

The establishment of regional innovation poles (RIP) is expected to be an essential tool of technology policy, aiming to enhance the innovation performances and the international competitiveness of the Greek regions. The poles shall promote the decisive role of the private sector in creating competitive advantages in the regions and respond to the need of accelerating the speed of reaction to the challenges of the globalized economy. The poles will contribute to concentrate the forces of companies, universities, research centres, training institutions on selected areas of regional interest.

Goal and rationale of the measure

The regional innovation pole (RIP) is an association of public and private entities aiming at the enhancement of the innovative performance of the regions and the improvement of the competitiveness of the regional economy.

Running Time of the Measure

2006-2008

Resources allocated for the Measure

Overall budget 15.000.000 €

Outputs and outcomes of the policy measure

Three poles are to be developed, supporting 100 firms and creating 50 new permanent jobs

N-3- Metecho (participate)

Geographic coverage

National

Legal Basis

Operational Programme for Information Society, de minimise regulation

Keywords:

Internet, computerisation, very small firms

Description of the problem the policy measure seeks to solve:

METECHO addresses the problems of small firms employing 2 to 10 people and are operating for more than one year. It subsidises the adoption of the information and communication technologies through projects of 4000 to 100000 euros. Max. Subsidy 50% of the eligible budget. The total budget of the action is allocated in equal parts to the 13 regions of the country.

Goal and rationale of the measure

The scheme aims at integrating the very small firms into the information economy and complements other schemes that are in operation by the Ministry of Development [GR_40].

Running Time of the Measure

2005-2007

Resources allocated for the Measure

Overall budget: 26 million euros

2005, company participation 50%

Outputs and outcomes of the policy measure

Access 1000 firm's apex.

N-4 - Energy demonstration projects for innovative technologies**Geographic coverage**

National

Legal Basis

investment law [GR_1] and state aid N92/2004, SAG(2004)D/203498

Keywords:

Demonstration, energy, renewable technology transfer

Description of the problem the policy measure seeks to solve:

The penetration of renewable energy sources and energy saving technologies is discussed for many years but has become very urgent at present. Greece is lagging behind in the adoption of new energy technologies, so new incentives are required to accelerate the pace.

Goal and rationale of the measure

The new scheme is subsidising the innovative investments with demonstrative character, on co production or multiproduction of energy with the use of renewable energy sources and/or natural gas, on wind energy powered up to 80kW, electricity production with the use of solar energy, thermovoltaics, hybrid systems, solar cooling, combined solar heating and cooling, biomass and geothermal sources, air conditioning with the use of geothermal sources, production and storage of hydrogen with the use of renewables or recovery of waste energy, marine waves energy etc. The subsidy varies from 40% to 65%, according to the regional state aid map. The private contribution may be a bank loan by the investor. The scheme aims at the dissemination of these technologies, approval of their feasibility and sustainability. The beneficiaries of the aid may be private firms, or companies of the local authorities or other private entities with business activities. The budget of each project may vary from 70000 to 880000 euros.

Running Time of the Measure

2005-2007

Resources allocated for the Measure

Overall budget: 5.428.000 euros

Outputs and outcomes of the policy measure

Six demonstration projects to be funded and 8 products/devices to be constructed

N-5 - Training of human resources of firms on technological and organisational modernisation

Geographic coverage

National

Legal Basis

Presidential decree 98/1996 and law 2919/01, art.22

Keywords:

Training on entrepreneurship, entrepreneurship, technology transfer

Description of the problem the policy measure seeks to solve:

The Programme will enhance the professional skills of the labour force through training, to adapt qualifications and skills to the new needs of the labour market, in order to increase the effectiveness of incentives to private investment. The curricula shall improve the know how on issues of competitiveness in the national and international markets, development of entrepreneurship, human resources management, health and security in the work place etc.

Goal and rationale of the measure

The measure aims at enhancing the skills and know how of the staff of companies supported under incentives for private investment, through training of their work force. Training will adapt skills to the new needs of the labour market and increase the number of available qualified staff

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 15.560.000.00 €

Outputs and outcomes of the policy measure

Number of trained workers (50.000)

N-6- Training and transfer of know how for the start up of new business activities**Geographic coverage**

National

Legal Basis

Presidential decree 98/1996 and law 2919/01, art.22

Keywords:

training in entrepreneurship, entrepreneurship, technology transfer

Description of the problem the policy measure seeks to solve:

The support of targeted groups of population to establish new businesses, such as young persons, women and handicapped is of primary importance to secure entrepreneurship, increase of employment and reduction of social inequalities. Since the job of managing a company, whatever size, requires know how and skills, any effort to encourage entrepreneurship through financial incentives needs to be accompanied by the necessary training of the entrepreneurs.

Goal and rationale of the measure

The measure aims at training the target populations of other measures, supported to start entrepreneurial activities (young, women, handicapped) or other young entrepreneurs managing firms no more than 2 years old. Training is provided only through the certified Centres for Vocational Training. The focus is on modern training techniques and educational material, enhancing the quality of training curricula, taking into account the new methods of organising the work and the enterprises, familiarisation of the trainees with real job conditions etc. Duration of the training from 40 to 120 hours. A 10% of the courses shall refer to health protection and security in the work place, environmental protection, industrial relations, general management principles. Every trainee shall draft a project on the presentation of a complete business plan. The advisor trainer shall evaluate the business plans.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 2.000.000.00 €

Outputs and outcomes of the policy measure

Number of trained people(1700), allocated by region

N-7 - Clustering of SMEs

Geographic coverage

National

Legal Basis

Presidential Decree 93/1997 and Laws 2308/1995 and 2244/1994. The state aid is approved by decision C(2003) 96/04.02.2003 in application of the regulations 659/99, 994/98 and 70/01

Keywords:

Clustering, networking, SMEs

Description of the problem the policy measure seeks to solve:

The measure aims at increasing the productivity, the innovativeness and the competitive performance of small and very small companies, through their participation into clusters, which offer advantages of combining flexibility of small size and large commercial or financial potential. In the long run the goal is to enhance the competitiveness of the firms and the national economy and to increase employment. In the era of globalisation the clusters offer to the small firms a better standpoint to compete with large companies, to share experience, improve relations with suppliers and, in general, improve perspectives with collective action. In addition, small firms may improve their specialisation and achieve economies of scale.

Goal and rationale of the measure

The measure encourages clustering activities of small and very small firms, for the attainment of determined business objectives. A cluster may be based on a specific project or on the creation of permanent cooperative business. Eligible are firms of the manufacturing sector, trade, logistics or other services to businesses. The members of the cluster have to establish a joint legal entity or use an existing entity as vehicle. The supported activities are of a broad spectrum, due to the variety of the clusters. Priority is given to networking business plans that aim to reinforce the quality control, development and production of branded products, local specialization, adoption of innovative techniques and materials, improvement of information flows etc. Cooperation with institution of research and technology transfer in the sector of the cluster is a positive element.

Running Time of the Measure

2004-2006

Resources allocated for the Measure

Overall budget: 46.955.000.00

Outputs and outcomes of the policy measure

Newly created clusters (20) Induced private investment (210) Firms participating to the new clusters (150) Employment create together with other measures (2000)

N-8 - Training in Research & Technology (R&T) management**Geographic coverage**

National

Legal Basis

European and national public procurement regulations on services

Keywords:

Technology and innovation management, training, management modernisation

Description of the problem the policy measure seeks to solve:

The management of the science, technology and innovation policy has become a very complex and sophisticated issue, requiring particular know how and skills. The average researchers and research managers perceive the management needs of research projects, programmes or institutions from an empirical point of view. Moreover, the public opinion is now increasing its awareness of the complexity of the challenge to raise competitiveness through innovation and RTD. The measure attempts to create a number of professional managers, combining theory and practice and disseminating managerial approaches to the general public through well informed opinion makers

Goal and rationale of the measure

The measure aims at enhancing the skills and the know-how for managing research and technology and the exploitation of knowledge as well as its embodiment in the process of economic and social development. The tool is the elaboration of training programmes at under-graduate and post-graduate levels. The training organisations may cooperate with institutions abroad for the production of multi-media and simulation exercises to be used in distance learning. The target populations are (a) high level officers in research centres, universities, companies (b) journalists, public relations officers, editors (c) young researchers. The activities may provide for - secondment of staff members to educational and training organisations abroad etc. The measure was open to public call for proposals in 2003, but the competition was cancelled and repeated in Oct. 2005. The new call gave several applications to be evaluated.

Running Time of the Measure

2004-2006

Resources allocated for the Measure

Overall budget: 3.000.000.00

Outputs and outcomes of the policy measure

Training of staff members (700)

N-9- Human networks of research and technology training**Geographic coverage**

National

Legal Basis

Laws 1514/1985 and 2919/2001 and presidential decree 274/2000

Keywords:

RTD training, linking universities and industry, human resources

Description of the problem the policy measure seeks to solve:

The measure addresses the creation of communication channels and cooperation between academia and industry or civil services. Researchers, scientists and engineers, students, company staff and opinion makers having common scientific interests may operate networks in a way that:- To reduce the isolation, fragmentation and overlapping of the RTD teams- To enhance the dissemination of know how to the staff of the business sector- To focus the research activities on issues directly linked to the needs of the production sector and of the modern society- To train on time the research and other human potential etc

Goal and rationale of the measure

The establishment of networks is focused on sectors supporting the competitiveness of Greece, regions and business enterprises. The objectives and the content of the cooperation are identified in each network.

The participants have to: - Have complementary scientific interests and be linked directly to the productive sector - Cooperate for proposing jointly solutions to scientific problems - Exchange S&T services.

Main activities of the network are: training of the networks members on reselected issues provision of information to the networks members on international S&T knowledge production, training in research centres and business firms in Greece or abroad, etc; external collaborators are not excluded. no more than 1/3 of the individual members will come from one organisational member. In every network will be represented universities, research and technology institutions from at least three different regions of Greece, at least one business firm, mass media institutions, not excluding institutions from abroad. The total duration of each project is 2 years.

Running Time of the Measure

2002-2006

Resources allocated for the Measure

Overall budget: 10.468.000.00

Outputs and outcomes of the policy measure

Networks created (40)Trained staff (4000)Event for the dissemination of knowledge (100)

N-10 - Research and Technological Development Consortia in Sectors of National Priority

Geographic coverage

National

Legal Basis

Laws 1514/1985 and 2919/2001 and presidential decree 274/2000

Keywords:

Academic-industry cooperation, private-public links, cooperative RTD

Description of the problem the policy measure seeks to solve:

The creation of strong linkages between the public research institutions and industrial firms is of highest priority in most countries. The linking may be free on any issue of interest to both parties or may be channelled on issues of predetermined national interest. The support to the latter multi-party and multi-annual consortia is focused in the last 10 years by national schemes, hoping that they may contribute, among other, to the fragmentation's reduction of the national RTD activities.

Goal and rationale of the measure

The measure aims at promoting collaborations between business enterprises and research organizations through long-term research and technological development projects and demonstration projects. The target is to produce innovative products and services and to meet social and cultural needs and thus promote economic competitiveness. Priority is given to athletics, renewable energy sources and energy saving, environmental and seismic risk management, natural environment and sustainable development, new forms of business organization, employment and training, culture - knowledge intensive tourism, food - agricultural development & aquaculture and Health – Biomedical Research, Diagnostic & Therapeutics Procedures, Transport & Piloting Technology, Electronic Business and Electronic Learning. The public contribution to the budget of the projects selected by peer reviewing ranges from 50% to 70%.

Running Time of the Measure

2002-2006

Resources allocated for the Measure

Overall budget: 137.978.000.00

Outputs and outcomes of the policy measure

Number of funded projects (150)Number of supported business firms (160)Number of patents (10)Number of publications (300)Number of prototypes and innovative products (130)Number of research jobs created during the programme (280)

N-11 - Encouragement of entrepreneurial activities, innovative applications and elective courses for tertiary education students**Geographic coverage**

National

Legal Basis

Measure 3.1.2.b of the Operational Programme for Education and Initial Vocational Training (EPEAEK): http://www.epeaek.gr/metro_3_1.htm Ex-ante evaluation of the proposal: http://www.epeaek.gr/Proks03_2002.htm Technical sheet: <http://www.epeaek.gr/docs/Symplhrwma/DAM3.1.doc> measure: <http://www.epeaek.gr/docs/Symplhrwma/Métro%203.1.doc>

Keywords:

Training, entrepreneurship, universities, technological colleges

Description of the problem the policy measure seeks to solve:

Human resources development at the level of university with skills and knowledge on entrepreneurship are crucial for participating into the globalized economy of knowledge. The introduction of such courses in the Greek education system is of utmost urgency

Goal and rationale of the measure

The measure was launched in the framework of the second Operational Programme for Education and Initial Vocational Training (EPEAEK) of the Ministry of Education and Religious Affairs (Action 3.1.2.b). It supports the tertiary education establishments with the aim to introduce courses on entrepreneurship in the tertiary education curriculum. In this way the necessary knowledge and skills are offered to students studying in departments that do not traditionally provide for entrepreneurship courses. The programme will also support the development of educational material concerning entrepreneurial knowledge and skills. Another element of the action is the organisation of exhibitions for the selection of innovative ideas and business plans. The total budget of this scheme is 6,000,000 and it is co-financed by national funds (25%) and the European Social Fund (75%).

Running Time of the Measure

1/9/2002 30/6/2004

Resources allocated for the Measure

Overall budget: 10 Mauro (2001-2006)

Outputs and outcomes of the policy measure

According to the technical sheet of the measure the main indicators for the measurement of the results are: 1. The number of course cycles. The target for the year 2003 is 120 cycles, while for the year 2006 it is 400 cycles. 2. The number of students who will attend the courses. The target for the year 2003 is 2500 students, while for the year 2006 8000 students.

N-12 - Supporting entrepreneurial ideas through tertiary education structures**Geographic coverage**

National

Legal Basis

Measure 3.1.2.c of the Operational Programme for Education and Initial Vocational Training (EPEAEK): http://www.epeaek.gr/metro_3_1.htm Ex-ante evaluation of the proposal: http://www.epeaek.gr/Proks03_2002.htm Technical sheet: <http://www.epeaek.gr/docs/Symplhrwma/DAM3.1.doc> measure: <http://www.epeaek.gr/docs/Symplhrwma/Mέτρο%203.1.doc>

Keywords:

Entrepreneurship, training, universities, technological colleges

Description of the problem the policy measure seeks to solve:

Encouraging and training pupils of early age in the schools and students in the universities is essential to familiarise the coming generation of citizens with entrepreneurship and innovation

Goal and rationale of the measure

The measure was launched in the framework of the second Operational Programme for Education and Initial Vocational Training (EPEAEK) of the Ministry of Education and Religious Affairs (Action 3.1.2.c). It is addressed to the existing liaison offices of tertiary education institutes and aims at reinforcing them in order to support students and graduates of universities or institutes for vocational training (IEK) to develop and implement entrepreneurial ideas. In this framework the liaison offices will appoint new executive staff responsible for giving information on the existing opportunities and promoting collaboration with the most important external organisations (e.g. centres for technological research, EOMMEX, Federation of Greek Industries, etc). The total budget of this call is 3,600,000 and it is co-financed by national funds (25%) and by the European Social Fund (75%). The call for proposals was launched in March 2002 with a deadline of 5/06/2002.

Running Time of the Measure

2002-2006

Resources allocated for the Measure

Overall budget: 4 600 000

Outputs and outcomes of the policy measure

1. The target number of the business plans to be supported for the year 2003 is 150, while for the year 2006 is 600.
2. The target number of business plans to be submitted by students and graduates for the year 2003 is 750, while for the year 2006 is 2000 plans.

N-13 - Support for Integrated Business Plans of SMEs and microenterprises (SMEs and VSEs)

Geographic coverage National

Legal Basis

Measure 2.7 - Action 2.7.1 of the Operational Programme ""Competitiveness"" of the 3rd Community Support Framework (2000-2006)

Keywords: Business plans, Microenterprises, start ups

Description of the problem the policy measure seeks to solve:

The measure aims to encourage the competitiveness of the small and micro manufacturing enterprises in Greece (up to 50 employees, and up to 7 million Euros average annual turnover) through the elaboration and implementation of a well-designed business plan. Thus the business plans must cover a two-year period, be simple in structure and set quantitative and countable goals. The measure recognises that these firms normally lack the financial and human resources to proceed in such tasks as well as to invest on modern technologies and intangible assets. In this sense the measure aspires to contribute to their overall technical improvement in order to be able to survive and flourish in a competitive environment.

Goal and rationale of the measure

The programme has been launched in the context of the action 2.7.1 of the Operational Programme ""Competitiveness"" of the 3rd CSF and aims at improving the competitiveness of existing small and very small manufacturing enterprises. It supports the elaboration and implementation of an integrated two-year business plan. Within the scope of the business plan, support is given to the introduction of new technologies in the productive process, the improvement of existing productive equipment, the development and certification of quality assurance systems and product certification, the incorporation of environment-friendly technologies, the development of environment management systems and the provision of systems for environmental protection, etc. The public contribution must not exceed 40% of the total cost of each proposal. The proposed budgets must not exceed 440,205 Euros, while the minimum funding is 28,000 Euros.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 448.915.000

The project is co-financed by the European Regional Development Fund (ERFD) and the Greek State. The budget period is 2001-2006

Outputs and outcomes of the policy measure

1. Process Indicators: Number of supported enterprises, 2. Performance Indicators: a) Resulting private investments (million euros), b) Jobs that are created during the implementation, c) Number of enterprises that develop e-commerce, 3. Impact Indicators: New full-time jobs.

N-14 - International Co-operation in Industrial Research and Development Activities in the Pre-competitive Stage**Geographic coverage**

National

Legal Basis

Laws 1514/1985 and 2919/2001 and Presidential decree 274/2000

Keywords:

RTD international cooperation, industrial RTD, networking

Description of the problem the policy measure seeks to solve:

The industrial RTD is supported in Greece for the last 20 years. This support contributed in the past to the development of new products and processes, to increase the cooperation of industry with the public research system and to the largest extent to train industry staff in new technological fields. Nevertheless, businesses act more or less isolated from international frontline RTD, as was demonstrated by the participation of Greek firms in EUREKA or other international activities. The scheme aims at increasing the propensity of Greek firms to participate in EUREKA and in any other European wide or global RTD activity, eventually with the assistance of research centres and universities.

Goal and rationale of the measure

The Programme aims at the development of industrial RTD and the promotion of innovation and provides for funding of firms, which will implement RTD projects in cooperation with firms or other types of organisations (universities, research centres) from abroad. The objectives of the projects shall be the development of new or improved products, innovative processes and services able to penetrate into international markets.

Running Time of the Measure

2002-2006

Resources allocated for the Measure

Overall budget: 21.400.000

Outputs and outcomes of the policy measure

Number of project supported (25) Number of firms supported (25) New jobs employed during the implementation of the measure (37) Human potential employed (150)

N-15 - Certify yourself

Geographic coverage

National

Legal Basis

Laws 2308/95, 2244/94, Presidential Decree 98/96 and de minimis state aid regulation of EU

Keywords:

Certification, technology transfer, quality

Description of the problem the policy measure seeks to solve:

Adoption of standards and quality control is a common practice in all developed economies and a prerequisite for competitiveness. This is not the case yet with many Greek SMEs, which were addressing small local and isolated markets. Opening of competition to global level and supporting the growth of SMEs has to be based on a sound system of certification, following international standards.

Goal and rationale of the measure

The measure aims at supporting SMEs, 3 to 250 employees, operating for at least 3 years, of the manufacturing, services, tourism and commerce sectors to develop quality assurance systems ISO 9001/2000, ISO22000 (HACCP), ELOT1801 (management systems) and to be certified accordingly. The supported companies have to sign a collaboration agreement with a competent consultant. The company may use also its own staff if it is appropriately trained. The companies shall cover 50% of the overall cost of certification. The budget varies from 18000 to 30000 Euros (not including VAT), according to the case. The total available budget amounts 10 million euros. Intermediary management agencies are selected to deliver the measure for the Ministry of Development. The 6th call for proposals is launched with a deadline for mid April 2006.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 36.684.000

Outputs and outcomes of the policy measure

Number of firms to be supported to operate a certification system (1200) Induced private investment (139 M) Jobs created during the projects (600)

N-16 - Excellence in the GSRT Supervised Research Centers and Institutes

Geographic coverage

National

Legal Basis

Laws 1514/1985 and 2919/2001

Keywords:

Public research centres, research excellence, RTD infrastructure

Description of the problem the policy measure seeks to solve:

Excellence in RTD is considered as a basic component of the competitiveness of an economy. Excellence itself has three components: academic, techno-economic and managerial. The reinforcement of excellence of the RTD institutions is a first priority of the policy in Greece, as well as in the EU. Excellence supports the national productive activities and the increased participation of the research centres to the EU Framework Programme. Support of excellence in the Greek RTD centres will contribute to increase their participation in European networks and integrated projects of the 6th FP and in other international S&T activities.

Goal and rationale of the measure

After a call for proposals, the institutes supervised by the General Secretariat for Research and Technology (45) applied for funding detailed 3 year development projects. The proposals argued on the strategic objectives of the institute to achieve academic, technological and managerial excellence, the planned activities, time schedule and budget. Panels of international peers evaluated the proposals, after oral presentation by the directors of the projects. The selected (27) proposals were funded according to the time schedule. Due to lack of adequate budget and large number of proposals approved the ceiling for funding per project was reduced from 1 Meuro to 0,5 Meuro. A second call for proposals with double budget followed to reinforce the institutes..

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 26.800.000

Outputs and outcomes of the policy measure

Number of projects to be financed (25) increase (%) of the participation of the research centres into EU and international RTD projects (10)

N-17 - Support to female entrepreneurship

Geographic coverage

National

Legal Basis

Regulation of the EU on SME state aids (de minimis) and Law 2601

Keywords:

Entrepreneurship, employment, non technological innovation

Description of the problem the policy measure seeks to solve:

The measure is expected to reinforce regional business dynamics and enhance endogenous development. At the same time the measure will contribute to increase the female employment, which is particularly low in Greece, compared to the EU average.

Goal and rationale of the measure

The measure is expected to reinforce regional business dynamics and enhance endogenous development. The programme aims at developing, supporting and promoting female entrepreneurship, who wish to start a business in manufacturing, commerce, services and tourism by utilising their knowledge, training and skill for the creation of new enterprises. The measure is implemented through repeated calls for proposals, which are evaluated and funded when they pass a threshold of clarity. The programme is expected to support 2000 business plans by women.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 102 Meuro

Outputs and outcomes of the policy measure

Number of new entrepreneurs (700)

N-18 - Centers of Entrepreneurial and Technological Development

Geographic coverage

National

Legal Basis

EU and national legal framework on the public procurement of services

Keywords:

Innovation promotion, access to information, simplification of procedures

Description of the problem the policy measure seeks to solve:

The encouragement of entrepreneurs to innovate and the promotion of innovation in general are badly required in the Greek business landscape. The civil service is aware that action is needed to generate interest and reorient priorities of the business people to higher risk and uncertainty activities. On the other side the public action is limited by the inability of the civil service to respond promptly on market needs. The measure tries to combine public initiative with private capacity and flexibility.

Goal and rationale of the measure

The measure aims at developing units (KETA), which provide information and consulting services to companies. Manufacturing, commerce, tourism and services in general are supported. The units operate as Centres under the supervision of the General Secretariat for Industry. A central coordination body (OETA) is established, to support the 13 regional units (one by region). The main activities of the Centres are (a) information, awareness raising, development of entrepreneurial spirit, (b) monitoring of the SMEs competitiveness (using benchmarking etc), (c) individualised support by business consultants, (d) organisation of the provision of entrepreneurial services, (e) organisation intermediation exploitation of financial tools, (f) support actions for export orientation and internationalisation. In 2005 they employed 136 staff.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 33 000 000.00

Outputs and outcomes of the policy measure

No. of KETAs in operation. Indicators of Results: Many years of employment during the measure, No. of firms visiting the KETAs, Establishment of regional monitoring systems for competitiveness (Regional benchmarking), No. of individual plans for the regional enterprises, No. of enterprises that are supported to international activities, No. of enterprises for which the KETA are intermediaries for the exploitation of the modern financial tools. Indicators of Effects: Creation of new employment posts in the KETA services.

N-19 - Reinforcement of Youth Entrepreneurship**Geographic coverage**

National

Legal Basis

EU regulation on state aids (de minimis) and Law 2601

Keywords:

Entrepreneurship, employment, non technical innovation

Description of the problem the policy measure seeks to solve:

The measure is expected to reinforce regional business dynamics and enhance endogenous development. The programme aims at developing, supporting and promoting youth entrepreneurship, who wish to start a business in manufacturing, commerce, services and tourism by utilising their knowledge, training and skill for the creation of new enterprises

Goal and rationale of the measure

The General Secretariat for Industry (Ministry of Development) has the political authority for the implementation of the measure, while EOMMEX SA is competent for the implementation of the measure. The programme provides for financial support from 30 Keuro to 150 Keuro to young persons (both for males and females) from 18 to 36 years old for starting a new venture, covering the eligible costs. Any person may participate.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 127698 000

Outputs and outcomes of the policy measure

Number of new entrepreneurs (1100)

N-20 - Support of Incubators and S&T Parks in Greece - ELEFTHO Programme

Geographic coverage

National

Legal Basis

Laws 1514/1985, 1733/1987, 2741/1999, 2919/2001

Keywords:

Incubators, S&T parks, venture capital

Description of the problem the policy measure seeks to solve:

The encouragement of the entrepreneurship in the industries of high added value and knowledge intensity is becoming a very urgent issue of the economic policy in Greece. Incubators and S&T parks are considered to improve the opportunities for the creation and development of new ventures in new technological and business areas. In 1990ies Greece launched a scheme for the development of public S&T parks with mediocre results. The market failure was not answered in a satisfactory way because of government failure. The new scheme is based on the private initiatives, which only will be supported financially, when their business plans are assessed consequently

Goal and rationale of the measure

The measure is aiming at facilitating the creation and development of new technology based firms and the transfer of technology to the production sector. The government offers support to the establishment and development of S&T parks and incubators, which shall house such NTBFs, by private investors. The environment to be created provides a) space with appropriate infrastructure, b) supply of consulting services to the elaboration and implementation of innovative plans, c) investment funds to the incubates. The activities supported include:- study and construction of new incubators, complementary to existing ones, starting of concentration of knowledge intensive business activities - development of consulting services to support innovation and technology transfer from these S&T parks or technology brokers to firms- development of similar activities by the liaison offices of the universities and research centres. The support is given to companies that will develop the S&T parks and incubators and they will also manage the support to the incubates, upon submission of applications after an open call of proposals. After two years of implementation 4 incubators have been supported, from which three are progressing and one has failed. Another 6 applications are on the process of approval.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 68900000

Outputs and outcomes of the policy measure

Number of supported parks (4) and incubators (2), Increase in employment (2000)

N-21 - Programme for the Placement of Researchers from Abroad to the Greek R&T System - ENTER**Geographic coverage**

National

Legal Basis

Laws 1514/1985 and 2919/2001

Keywords:

Research personnel, mobility, public/private cooperation

Description of the problem the policy measure seeks to solve:

The rate of increase of the employed researchers in Greece, in order to achieve the Barcelona targets, exceeds the capabilities of the national system. It is necessary to benefit from the international mobility and create a positive balance of scientific immigration for Greece. Moreover, the international and intercultural movements of scientific human capital may contribute to the enhancement of the research potential of the country. In the past the government supported the return of researchers of Greek origin from abroad. The actual programme makes no discrimination of nationality, since the new landscape will be multinational and multi-cultural.

Goal and rationale of the measure

The Programme is funding research projects that are drafted by teams of universities or public research centres and provide for the employment of at least one experienced researcher from abroad, for a period that may extend from 3 to 24 months. The researchers from abroad may be of Greek origin or not. For non-EU citizens, the interested institution has to take care for the work and residence permits. The projects shall fall in a broad spectrum of disciplines, mainly in the most advanced areas of science and technology. At the same time, the interested institution has to secure at least 10% funding of the project from a user-partner from Greece or abroad. In case the subject of the project is outside the spectrum of predetermined disciplines, the contribution of the user-partner increases to 25% of the budget. It is expected that some of the researchers from abroad will integrate permanently a Greek institution. The call for proposals is open and the evaluation is continuous.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 7556000.00

Outputs and outcomes of the policy measure

Number of funded projects (150), Number of invited researchers (150), Number of laboratories to be served (50)

N-22 - Research centers development and service providing projects with user participation**Geographic coverage**

National

Legal Basis

Laws 1514/85, 1733/87 and 2919/2001.

Keywords:

Academia-industry cooperation, Technology transfer, opening public research

Description of the problem the policy measure seeks to solve:

Past schemes funded the acquisition of equipment and the initial running of laboratories in universities and public research centres, aiming at the provision of services by these laboratories to the industry. The linkages developed so far had an occasional character and did not last for long. Moreover, the planned supply of services did not find often any demand from the market side. Therefore, it was necessary to build a scheme to provide for longer-term cooperation and orient the infrastructural development to areas that present an active interest for national and international industry. The laboratories are obliged to disseminate the R&D results, which will be funded by the Programme.

Goal and rationale of the measure

The measure aims at enhancing the infrastructure and the operating of public laboratories, leading to the intensification of the cooperation between universities, technological colleges and public R&D centres on one side and the business enterprises on the other side, on issues of R&D and related activities (technology transfer, measurements, analyses, valuations etc). The public institutions are expected to contribute more directly to the solution of economic and social problems, using locally developed know how, increase their competitiveness in attracting external funding, improve their perception of the needs of the Greek and global markets, develop the national industry of S&T services and increase the employment of qualified personnel (around 50 projects). The proposals have to be as clear as possible on the contracts or other types of agreement between the public and the private (client) institution. The client organisations may be based in Greece or elsewhere. The AKMON Programme will support the applicant laboratory with an amount that may not exceed the volume of the contracts signed for a determined period with firms.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 31000000.00

Outputs and outcomes of the policy measure

New funded laboratories and number of laboratories with quality certification (25), Collaborations with firms abroad (10), Number of jobs created for the duration of the measure (175), New jobs created (100)

N-23 - Awards and financial support to inventors**Geographic coverage**

National

Legal Basis

Common Ministerial Decision of the Ministers of National Economy, Economics and Development and L.1733/1987.

Keywords:

Inventors, awareness raising, patenting

Description of the problem the policy measure seeks to solve:

The social perception of the inventors is based on the parochial view of the isolated technician who constructs devices, mostly for his own satisfaction. The need to change this perception is paramount in the construction of the knowledge-based economy. Scientists and engineers have to become the main actors in the landscape, which is enriched with complex rules and external relations. The inventions produced in Greece have not only to increase dramatically in numbers but also to change radically in quality. The awards are a tool used worldwide to modify attitudes and to a lesser extend behaviours.

Goal and rationale of the measure

A call for proposals is launched every year or every two years. Proposals are submitted to the Greek Patent Office (OBI). The proposals refer to patent grants or patent applications in specified period of reference. An Evaluation Committee, composed of 7 university professors, engineers and business people, is created by ministerial decision, to select inventions to be prized by the minister himself in a public event, which receives large advertisement.

Running Time of the Measure

2000-open ended

Resources allocated for the Measure**Outputs and outcomes of the policy measure**

The first round of awards was finished in 2003. the second found will conclude by the public event in Sept 2004. The impression given from the application of the measure is very good, although the publicity given to the event may be improved

N-24- Programme for the reinforcement of research manpower PENED

Geographic coverage

National

Legal Basis

Laws 1514/1985 and 2919/2001

Keywords:

University research, research human potential, industrial co-funding

Description of the problem the policy measure seeks to solve:

Training of new researchers is a basic element of any public policy. The schemes aiming at increasing the number of available researchers have become of paramount importance in EU, in particular after the adoption of the Lisbon and Barcelona objectives. Greece adopted the objective of 1,5% GERD/GDP for 2010, which, translated into human potential, for research, means a shift from 55000 to 125000 employed in R&D. Nevertheless, the quantitative issue is not the only challenge: the skills and capabilities that researchers have to demonstrate, shall contribute to the development of the knowledge economy and to the objective of 40% BERD/GERD. The training of researchers in concert with the potential users of research results seems to be a prerequisite of this endeavour.

Goal and rationale of the measure

The Programme is focusing on: a. The training of new researchers in forefront disciplines, through their involvement in projects aiming at exploitable results, b. The enhancement of the weight of R&D in the strategic planning of firms and of the linkages between academia and industry, c. The upgrading of the educational profile of business staff and the increase of the researchers employment in industry. The projects selected for funding, after competitive call for proposals and thorough evaluation by international peers, have to involve at least one Greek university and one co-funding institution (private or public) which is expected to contribute at least 10% of the budget. In exceptional cases the co-funding institution may be a university liaison office. The project may not exceed in duration 4 years (3 years+1year extension), at the end of which the trained researchers shall hold their PhDs

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 74189000

Outputs and outcomes of the policy measure

Number of funded projects, Number of candidates to PhD, Number of female candidates to PhD, Number of new jobs created

N-25 - Network yourself Programme

Geographic coverage

National

Legal Basis

Operational Programme ""Information Society"" (2000-2006) - Measure 3.2

Keywords:

Process innovation, technology transfer, information economy

Description of the problem the policy measure seeks to solve:

The penetration of ICT in the Greek economy lags behind the EU average, so that intense and continuous efforts are needed to accelerate the pace of adaptation and raise competitiveness. The measure focuses on SMEs and VSEs operating in traditional sectors and remote regions that are most handicapped in familiarising with ICT.

Goal and rationale of the measure

The Programme Network yourself aims at familiarising 50000 SMEs on new technologies. The Programme creates incentives for SMEs and Very Small firms to exploit the potential of information and communication technologies and to convince the entrepreneurs to invest in ICT. The measure provides for (a) firms with no access to internet: personal computer, colour printer, office automation software, technical support and internet connection for 2 years or (b) any other very small firms: support for domain name, web page, services by internet provider and 2-year virtual hosting. The selection of the SMEs to be supported is based on open calls and evaluation, the procedure been managed by EOMMEX. A complementary action support to training offers to entrepreneurs free support and guidance in the use of internet services This support is given by a number of Collaborators, who work for some time with the staff of the SME for familiarising it with e-business. The collaborators belong to teams from universities, technological colleges and research centres, selected for their know how in ICT and their geographical proximity to the SMEs. A central institution, (EDET SA), coordinates the training support.

Running Time of the Measure

2000-2006

Resources allocated for the Measure

Overall budget: 88040000.00

Outputs and outcomes of the policy measure

Number of firms supported to access the internet (15000), Number of firms supported to present a commercial web page (5000), Number of firms supported to introduce ERP in operations (1000), Share of firms with a web page on the internet (increase from insignificant to 10%), Share of firms using B2B and B2C practices (increase from insignificant to 15%), Number of firms participating in e-market places (increase from insignificant to 2000), Number of PCs per 100 office workers (increase from 37 to 60)

N-26 - Programme for the exploitation of research results through the establishment of academic spin offs PRAXE

Geographic coverage

National

Legal Basis

laws 2741/1999, art. 23 al.3, 2843/2000 art. 34, 2919/2001 and presidential decree 17/2001

Keywords:

Academic spin offs, innovative firms, exploitation of RTD results

Description of the problem the policy measure seeks to solve:

The exploitation of research results has been debated for the last 10 years at least. Emphasis was given to the lack of demand for new knowledge from local industry, while this industry remains traditional and depended from import of embodied technology. The generation of a new breed of companies with high knowledge intensity has been proposed as a solution to the impasse. The research personnel in universities and public centres is grown in an academic environment, praising publications and citations and ignoring the economic impacts of their activities. The Programme PRAXE was established to introduce a new paradigm in the academic life and pull innovations out of the academic activities.

Goal and rationale of the measure

Aims: The exploitation of the available research results, from the implemented projects, The intensification of R&D and related activities inside the business firms or on the interface between firms and public research institutions c. The growth of cooperation with business and research institutions abroad and the integration of international networks. The measure is implemented in two phases: the 1st phase supports universities, public R&D centres and individual researchers from these institutions to finalise the R&D results, to draft a business plan and to identify the financial scheme under which the spin off company will be established and take off (seed capital). The 2nd phase provides for funding directly to the spin off firm on the basis of their business plan. The grant may not exceed the amount that the private investors contribute to the stock capital of the firm. The first phase is already finished for the period 2001-2006, having supported 230 initiative of researchers and public research institutions with amounts of 45000 euros each. The second phase has already approved for support a dozen of business plans

Running Time of the Measure: 2001-2006

Resources allocated for the Measure

Overall budget: 72693000

Outputs and outcomes of the policy measure

Number of funded projects phase a (210) Number of projects funded phase b (30)
Number of Jobs created (240)

N-27 - Employment of New Researchers in Enterprises (HERON)

Geographic coverage

National

Legal Basis

Laws 1514/1985 and 2919/2001 and Presidential decree 274/2000

Keywords:

RTD Employment, industrial research, RTD personnel

Description of the problem the policy measure seeks to solve:

Greece lags behind in R&D expenditure, and in particular in the business sector. Repeated public initiatives to generate a rapid increase in the business funding of R&D in Greece, have not produced the expected results. The main instrument in the last 20 years was the funding of projects proposed by the interested firms, through grants. The last 3 years a more diversified set of measures is implemented, among which the encouragement of firms to hire new research personnel for a duration that can familiarise the management with R&D features and integrate it into company's strategy. Staffing firms with research personnel may also facilitate the linking between industry and the public research system, give researchers professional experience in the business sector, accelerate the technology transfer in traditional industries and the development of new ones.

Goal and rationale of the measure

Programmes HERON and HERON-p aim at increasing the employment of research personnel in the business sector, which a serious shortcoming of the Greek industry. The two programmes differ only in that HERON- p addresses the ICT sector and HERON the rest of industry. The Programme supports up to 50% of the salary (including insurance) cost due to the employment of new researchers and technical personnel (up to 5 persons) in firms for 18 to 36 months and operational cost for the implementation of an R&D project in the same period. It is expected that companies will continue the employment of these persons after the end of the subsidized project. The share of the subsidy in the project budget is determined according to the rules of state aids. The scheme defines also the minimum qualifications of the researchers (PhD holders etc) and the maximum salary per person. Application for funding is open and evaluation follows the incoming of proposals

Running Time of the Measure: 2002-2006

Resources allocated for the Measure

Overall budget: 12000000.00

Outputs and outcomes of the policy measure

HERON: Number of supported companies (200), Number of new jobs (850), Increase in the number of firms performing R&D in Greece (50%) HERON-ICT: Number of unemployed PhDs and support personnel to be hired in firms (300), Increase in the size of employment in ICT (80%)

N-28 - New Economy Development Fund S.A. (TANEO S.A.)

Geographic coverage National

Legal Basis: Law 2843/2000, article 28 and two Ministerial Decisions, one for the establishment of the Board of Directors and one for the founding law of the fund.

Keywords:

knowledge intensive entrepreneurship, Venture capital, start ups

Description of the problem the policy measure seeks to solve:

The measure aims at encouraging the creation of new firms in areas linked to the new technologies in a highly competitive international environment as well as the creation of highly qualified jobs. Greece lags behind in qualitative financial services and badly needs to encourage the exploitation of new technologies and of the results of R&D activity in the country. Serious drawbacks exist for the financing of small and very small firms, due to guarantees required by the traditional financial institutions.

Goal and rationale of the measure

TANEO is a Greek government backed fund of funds. Based in Athens, the fund has 150 Meuro under management, of which 105Meuro comes from overseas investment institutions and Greek investors and 45Meuro from the Greek government. The fund was structured by UK fund of funds group Westport Private Equity. Tangos remit is to produce financial returns at the same time as jump-starting the venture capital industry and boosting economy in Greece by investing in Greek private equity funds. It will invest in all types of funds from buy-outs through to early-stage venture capital (venture funds, mutual funds etc). TANEO offers investors government guarantees, but the small size of the Greek market dictates an opportunistic strategy in the allocation of capital. In 2005 the Fund, in cooperation with Greek Investments Centre and the Hellenic CV Association, awarded three prizes to Greek companies for their innovative business plans: Memes HELLAS (technology developed by the Research Centre Democritus), IMMINENT (technology of the National Institute for Agricultural Research) and Pay Point (technology from Patras). The Fund suffered a management crisis after the governmental change in 2004. At present is participating in the capital of four VCs with shares not exceeding 49,99%.

Running Time of the Measure: 2001- No End Date Planned

Resources allocated for the Measure

Overall budget: 150000000

Outputs and outcomes of the policy measure

Number of participations in companies, stock capital (100)Number of collaborations with financial institutions for joint funding (25)Number of newly established companies (50), Number of companies undergoing increases in stock capital (50), New full time employment created (200)Exports of high technology products as % of total exports (5%)Employment in industries of high technology as % of total employment (2,85%)

N-29- Bilateral Co-operations for Research and Technology

Geographic coverage: National

Legal Basis: Laws 1514/1885 and 2919/2001

Keywords:

Research, international cooperation, openness

Description of the problem the policy measure seeks to solve:

International S&T cooperation is a long-standing activity which is one of the first promoted by governments when establish relations with another state. In recent decades, the enhanced role of research in economic development has given international S&T cooperation an additional weight. Researchers are offered increased opportunities for cooperation, to facilitate the flow of knowledge, create critical masse in new disciplines, reduce the costs of exploitation and operation of expensive instruments etc. The actual measure has enriched the traditional approach of intergovernmental S&T relations with a bottom up process, which broadens the scope of cooperation.

Goal and rationale of the measure

The programme for international S&T cooperation aims at bringing together researchers in the academia and the businesses and provides for two different approaches: the 1st is based on annual or bi-annual protocols signed by national competent authorities of cooperating countries which define priorities and specific projects to be co-funded. The 2nd addresses directly the interests of researchers and does not require prior governmental coordination. The 1st approach provides for calls for proposals in jointly pre-selected disciplines by country. The 2nd approach is focused on USA, Australia, Japan, etc. In both cases the proposals are evaluated by peer panels and selected on a competitive basis. The objectives of the individual projects are the participation of researchers from Greece into international networks and consortia, the penetration of the Greek laboratories and scientists into international S&T fora, the technology transfer to and from Greece, the creation of new opportunities for young researchers. Emphasis is given to complementarities between the activities of bilateral S&T cooperation and the participation to the Framework Programme of the E. Union..

Running Time of the Measure: 2001-continuous

Resources allocated for the Measure

Overall budget: 68366000

Outputs and outcomes of the policy measure

Number of funded projects (1000), Number of research organisations supported (950), Business firms supported (100), Number of foreign research centres in cooperation (1000), Number of protocols signed (30)Jobs created for young researchers (1000), Number of publications resulting from projects (2000), People employed in R&D (in FTE) (1500), Number of jobs created directly (50)

N-30 - Networks - EDET (National Network for Science and Technology)**Geographic coverage**

National

Legal Basis

Presidential Decree 29/1998

Keywords:

information infrastructure, networking, academic information

Description of the problem the policy measure seeks to solve:

The development of infrastructures to facilitate the integration of Greece into the global information society has become a top priority of the General Secretariat for Research and Technology. EDET is the main agent to promote this policy and to extend it to the broader Balkan area. The ex-ante evaluation of the OPIS gives a positive sign for the implementation of the actual project

Goal and rationale of the measure

The EDET since 1995 supplies networking services to the Greek academic and research community as well as to public schools (some 70 institutions and 200000 users, 4850 general and vocational schools). Since 1998 the activity is taken over by EDET Corp. EDET is part of GEANT and DataGrid and contributes to the development of Internet in Greece through the Athens Internet Exchange. In addition to that, EDET manages schemes for the promotion of e-economy to the business sector, in particular SMEs. The Network is upgrading now to GRNET2, the new generation optical WDM network, which will enable single broadband access for end-users in universities and research centres (speed 10-100Mbps), with broadband access (1-2,5Gbps) to the national backbone (2,5-5Gbps) as well as to the GTRN (1,2Gbps). The measure is funded from various sources, the most important been the Operational Programme for Information Society (OPIS) and the 6th FP.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 20000000.00

Outputs and outcomes of the policy measure

Increase of entry points to GRNET (100%), Increase of final users of R+T networks (100%)

N-31 - Open Gates**Geographic coverage**

National

Legal Basis

Laws 1514/1985 and 2919/2001

Keywords:

Dissemination, popularisation, accountability

Description of the problem the policy measure seeks to solve:

The measure aims at improving the perception of the general public for science and technology and at familiarizing the researchers of the public sector with the direct contact of the public opinion. Recently, the rapid advances of technology imported from abroad have contributed to the emergence of technophobic reactions of different segments of the population. Moreover, the need to increase sharply the national R&D expenditure to catch up with competitiveness requirements has to be understood and supported by the taxpayers. The measure opens the information on the activities of the public R&D centres to the society in

Goal and rationale of the measure

The measure was first launched in 1994 and continued on irregular basis. In the 1990ies 28 projects were funded with direct attendance of 50000 people. The implementation has been enriched with additional events such as the S&T week and the Science Olympics. Projects are selected and funded on a competitive basis, after call for proposals and evaluation by expert groups. Open gates aims in particular to give the citizens access to the activities of public R&D centres and an understanding of the purpose for research institutions. Emphasis is given to pupils, students and industry staff. S&T week is addressed to all public R&D institutions (incl. universities, museums). During the week, the selected contractors organise events, such as exhibitions, conferences, competitions, workshops and teleconferences, produce material (printed or electronic) and promote the dialogue around major issues. Science Olympics provides for awareness raising through prizes to students, pupils and young researchers or teams of researchers.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 5715000

Outputs and outcomes of the policy measure

Organisation of workshops, conferences, demonstration visits (50)

N-32 - Programme Technomathia (Education in Crafts)**Geographic coverage**

National

Legal Basis

Laws 1514/1985, 2919/2000

Keywords:

Popularisation, schools, technical skills

Description of the problem the policy measure seeks to solve:

The measure is aiming at enhancing the creativity and inventiveness of pupils in the secondary education, giving them the opportunity for a first contact with research activity. The pupils are expected to better understand the technological evolution and its impact on economic agents and on competitiveness. The ex-ante evaluation, performed according to the rules of the structural funds and grouping, several measures under the same heading, states on the actual programme that its quantified objectives are unique for the evaluation of disseminating results.

Goal and rationale of the measure

The pupils of secondary schools may participate to this programme under the supervision of a teacher, who leads and manages the project. The selection of proposals is organised on a competitive basis. Calls till now address the secondary technical vocational training by offering to pupils, opportunities to demonstrate their talents and become creative technicians supporting the national R&D system. The 4th call is opened also to schools and to schools for handicapped. The teams of pupils work on issues with technological, scientific or technology-cultural content draft an analysis and build an artefact, device or piece of equipment in 10 months time. Budget per selected project 7,5 - 12,0 Keuro

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 2035000

Outputs and outcomes of the policy measure

Number of schools supported (150), Number of involved pupils in the projects (1500), Number of teachers involved (170), Products related to R&D produced by the pupils (150), Events (promotion etc) (150)

N-33- Liaison offices (in universities, technical colleges, research centers)**Geographic coverage**

National

Legal Basis

Law 1514/1985, 2919/2001 on research and legislation on universities and technological colleges

Keywords:

technology transfer, public research, dissemination

Description of the problem the policy measure seeks to solve:

The enhancement of the linkages between academia and industry is a major concern in most EU countries. The most important outcome of this measure is the rationalization of the operating liaison offices created in the past 5 years and eventually the creation of a few new ones. At the same time, the measure encourage the development of the technology expert (catalyser), who promotes the exploitation of R&D results and offers alternatives to the funding of researchers by private sources.

Goal and rationale of the measure

The measure aims at the promotion of the public research results to the market. The offices are expected to perform market research on the needs for new knowledge and funding opportunities and dissemination of the relevant information to researchers; organisation of the supply of services by laboratories and research teams to third parties, identification of the research results with commercialization potential, provision of consulting services to the researchers on IPRs etc, marketing and promotion of the products and services of the research institution, drafting of business plans etc. The liaison offices of universities, technological colleges and research centres that implement the measure may employ experts from the private sector. The amount of funding is taking into account the number and volume of activities each liaison office has demonstrated in the past

Running Time of the Measure

2003-2006

Resources allocated for the Measure

Overall budget: 5869000

Outputs and outcomes of the policy measure

Financed offices for development of their activities (20) Employment during the implementation of the measure (60) New jobs created directly by the measure (40)

N-34 - Technology Brokers: Development and networking of services provision enterprises in subjects relevant to technology transfer and know how**Geographic coverage**

National

Keywords:

technology transfer, networking services, brokers

Description of the problem the policy measure seeks to solve:

The market of complementary and support services for technology transfer and innovation is still in embryonic state in Greece. In several cases, institutions of technology transfer operate in un-coordinated manner, supplying information on only part of the technology transfer process, which does not respond to the users requirements. In a previous version of the scheme independent brokers were supported, proving the immaturity of the market. The ex-ante evaluation of the measure, implemented according to the rules of the structural funds, groups several measures together, and gives a positive view of the approach

Goal and rationale of the measure

The measure focuses on the reinforcement or the creation of local technology brokerage centres in various major regions of Greece and at national level. The centres will specialize in the (a) identification of technology, relevant to the products and the industrial profile of the region, (b) the promotion of locally produced technologies to the international markets, using new techniques of technology management. Activities supported include technology audits of firms, market scanning for new technologies and technology valuation, organisation of the negotiations for the acquisition of technology, initial tests for technology adoption, counselling on IPR and creation of spin off firms etc. The expected result will be a network of brokers providing state of the art information to interested firms. The centres could be linked among them in order to use their capabilities for mutual benefit. The projects are selected on a competitive basis and financed with a maximum of 50% of the actual cost for 30 months.

Running Time of the Measure

2003-2006

Resources allocated for the Measure

Overall budget: 6433000.00

Outputs and outcomes of the policy measure

Number of projects supported, Number of linkages established with electronic sites, Contracts for technology transfer from abroad, New jobs created directly

N-35 - Programme for the Development of Industrial Research & Technology (PAVET) in Young Firms

Geographic coverage

National

Legal Basis

Presid. decree 274/2000

Keywords:

industrial RTD, hi tech entrepreneurship, technology assimilation

Description of the problem the policy measure seeks to solve:

The business sector is still suffering from very limited R&D activities. The EIS shows that Greece holds steadily one of the last positions in industrial R&D. The PAVET was launched in 1985 to encourage existing firms in undertaking intra-muros R&D. The scheme's aim was distorted by public researchers in search of funds who got the approval of firms to use their label and work as subcontractors in projects on which firms had little interest. Therefore the initial scheme was partly limited to young firms which have no possibility to develop intra-muros R&D capacity and partly replaced by the Programme HERON. The ex-ante evaluation implemented groups together several measures, which are considered positively in mobilizing industry, increasing employment of researchers, but are not giving rise to new products and services to the desired degree.

Goal and rationale of the measure

The scheme is aiming at encouraging the newly established firms to use R&D as tool for development, either by developing internal capacities and/or using public R&D institutions as subcontractors. Firms of less than five years old in all productive sectors may apply for funding of industrial research and precompetitive development projects. Expert/peer committees evaluate the proposals. In case of deficient proposals, the interested firms may introduce improvements and apply again (open deadline)

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 85000000

Outputs and outcomes of the policy measure

Number of projects and of companies funded, Number of firms doing R&D for the first time, Number of new researchers employed during the project, Employment created directly, Firms active R&D

N-36- Demonstration projects Programme - PEPER

Geographic coverage

National

Legal Basis

Presidential Decree 274/2000

Keywords:

Demonstration, technology transfer, private RTD

Description of the problem the policy measure seeks to solve:

The Greek economy suffers from low technology intensity and slow diffusion of new technologies throughout the economy. The gap between research and production activities demonstrates great difficulties to be bridged. Demonstration is a costly activity, which can increase the absorption capabilities of users, facilitating learning through imitation. Demonstration may function as a catalyser to adoption either of embodied technologies developed abroad or of technologies under development in Greek laboratories.

Goal and rationale of the measure

The Programme aims at supporting the application of new technologies in Greek firms. It is implemented on a competitive basis: an open call invites applications for feasibility studies (budget up to 30 Keuro), which are funded after evaluation by peer/expert committees. The implemented feasibility studies give right to the application for funding of the full demonstration project, after a second evaluation organised on a competitive basis.

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 27023000

Outputs and outcomes of the policy measure

The indicators specified by the funding scheme are: Number of supported projects in the 1st and 2nd stages, Number of supported companies, Technology transfer: royalties derived, patents, contracts of technology transfer, New research jobs created directly by the projects

N-37 - Investment law (Support to private investment for the regional development of the country)

Geographic coverage: National

Legal Basis: Law 2601/1998, Law (modif) 3299/2004

Keywords:

Investment, industrial RTD equipment, new products/services

Description of the problem the policy measure seeks to solve:

The law offers a wide and complex spectrum of incentives to regional development, increase of employment and of competitiveness, restructuring of industry and exploitation of business opportunities. It gives particular emphasis to manufacturing, which has been considered as the weakest sector of the national economy, and also to tourism, dominated by very small, introverted family firms. In its various versions since the early 1980ies, the weight of innovation and R&D elements is gradually increasing. Special attention receive also high technology services and introduction of new products and services to the market.

Goal and rationale of the measure

The law (L.3299/04) addresses innovation in agriculture, manufacturing, tourism and other services through direct incentives (subsidies to investment, to leasing and to new jobs created) as well as financial reductions to firms that acquire new equipment, automated production processes and software, for process innovation, as well as studies aiming at adopting, developing and implementing modern technology, know-how, industrial design, blue prints for the production of products. Moreover, the incentives are encouraging the creation or extension of industrial research laboratories and the investment in the production of innovative products and the introduction of innovations into the production process, the construction of prototypes related to inventions, the fees for the international protection of IPRs. In addition, the law offers incentives to firms of applied R&D and industrial design, firms of software development, firms supplying services of high-technology character and joint business activity centres which may involve universities and research centres. Incentives to investments related to innovative activities may receive subsidies from 30% to 40% (depending on the state aids regional map), which may go up to 55%, for SMEs

Running Time of the Measure

2001-2006

Resources allocated for the Measure

Overall budget: 805 061 Keuros

Outputs and outcomes of the policy measure

The specified indicators refer to the law as a whole and not specifically to innovation. The implementation indicators are the number of firms supported and the share of SMEs in the total. The outcome indicator is the amount invested and the impact indicator is the new jobs of full employment created

7.1.2. Measures with a regional scope

Although the Region of Western Greece produces 5.7% of the gross domestic product (4th largest contribution), it is next to last (12th) among the country's Regions in per capita produce. All three of the Region's prefectures lag behind the national average. Moreover, the per capita product of its inhabitants is only 53% of the average in the EU, which ranks among the lowest in all the Regions of the European Union. The progression of the Region's per capita GDP is displayed in the following table.

The region accounts for 11% of the country's agricultural produce, 4% of its manufacturing and 5% of its services.

Accordingly the percentage distribution of GDP in the Region of Western Greece is as follows:

- Agriculture 15%
- Manufacturing 23%
- Services 62%

Concerning education the work force with a middle school education account for 11,2%, while those with a high school education account for 23% of the total (national averages are 10,4% and 28,6% respectively). Only 11% of the work force has a Higher, Graduate or Postgraduate level education, compared to the national average of 22,9%. However, a characteristic feature of the Region is the fact that 5.2% of the country's postgraduate degree holders are employed within it, a figure that ranks the Region third in the country.

The general Development Objective of the Region is the exploitation of its nodal position and its comparative advantages to overcome its problems.

- Reinforce and exploit the position of the Region as the Western Gate to the Country
- Cultural and Tourism development – exploit the 2004 Olympic Games
- Restructuring and expansion of the Regions Industrial base, and promotion of Innovation
- Reinforce the urban Infrastructures – Improve the quality of life
- Sustainable development of rural areas
- Innovation

The development of business good practice, the promotion of innovation and the adoption of state of the art information and communication technologies in the service and manufacture sectors are part of the Region's strategic objectives.

Included in the Operational Programme of the Region are numerous Innovative actions in almost all sectors, such as, Culture, Industry, SMEs, Research and Technology, Environment and Agriculture growth and development.

The emphasis is on Innovation in Business Activities and the competitiveness of these sectors.

Concerning the development of Information Society, according to the related Action Plan of the Region, there was funding for specific actions to complement the National Action Plan for the Information Society, to adequately deal with specific needs of the Region on four general Strategic Objectives:

- Reinforce the competitiveness of the Region with the introduction of new Information and Communication Technologies. This Objective is covered by Programme Measures “P.1 Culture” and “P.2 Tourism”.
- Economic Development of the Region with the promotion and use of these New ICTs in SMEs, along with new business practices such as eCommerce. This Strategic Objective is covered by Programme Measures “III.3 Supportive measures for SMEs” and “III.4 Connect Research and Production – Promotion of Innovation”, “VI.a.III Support Actions – Development of Networks for Rural / agricultural Economy and rural population”
- Social Development through the use of New ICTs and their implementation in the area of Environment. This Strategic objective is covered by Measure “VI.a.1 Management and protection of water resources and land enhancements.
- Enhancing the quality of life with a special emphasis on the sectors of Health, Welfare and Education. This Strategic Objective is covered by Measures “IV.1 Health and Welfare”, Measure “IV.2 Education” and Measure “V.2 Development and enhancement of skills”

This section presents the regional innovation policy measures, related to services that are managed and implemented in the region of Western Greece. Those measures reflect a sector neutral innovation strategy, addressing firms in both services and manufacturing sectors.

A brief list of the measures is presented, followed by a more detailed description of each measure.

Number	Title of measure	IPM Fiche Number [†]
R-38	Integrated Actions for Urban Development - Reinforcement of SMEs in manufacturing, tourism and other sectors from the tertiary sector	-
R-39	Reinforcement of tourism businesses through the Development Law	-
R-40	Local Employment Initiative: "Cores for employment and entrepreneurship support"	-

[†] The IPM Fiche Number is the number of the Measure, as listed in the TrendChart Innovation Policy Database. It is given for reasons of reference, where applicable.

Number	Title of measure	IPM Fiche Number †
R-41	Cooperation for research, development and technology transfer	
R-42	Training of unemployed in certified professional training centres	
R-43	Training of unemployed in certified professional training centres for the support rural human potential	-
R-44	INNACT (Programme of Innovative Actions)	-
R-45	WISE: Western Greece Integration Strategy for Employment Stimulation	-
R-46	Local Government support programme (THISEAS)	-
R-47	Operational Programme POLITEIA 2005-2007	-
R-48	Operational Programme Information Society, for the Region of Western Greece	-

Table 12: Regional Service Innovation Policy Measures

Presentation of each regional measure based on the template

A description of each measure is presented hereafter, based on the following template:

1. Description of the problem the policy measure seeks to solve
2. Goal and rationale of the measure
3. Running time of the measure
4. Resources allocated for the measure
5. Outputs and outcomes of the policy measure

The description of each measure was drawn from the following sources:

- Community Support Framework - CSF Citizens' On Line Information System (<http://www.info3kps.gr/english.asp>)
- Hellas 2000-2006, CSF (http://www.hellaskps.gr/Index2_en.htm)
- Ministry of Economy and Finance, Integrated Information System Ergorama (<http://www3.mnec.gr/ergorama/> - in greek)
- <http://www.ptapde.gr>
- <http://www.ditikiellada-region.com/>

R-38 - Integrated Actions for Urban Development - Support for SMEs in manufacturing, tourism and other sectors from the tertiary sector

Geographic coverage

National

Goal and rationale of the measure

The aim of the measure is to support SMEs in the sectors of manufacturing, tourism, and other tertiary sectors, with an aim to boost competitiveness and innovation.

The programme will be implemented through collaborating banks.

Running Time of the Measure

2006-2008

Resources allocated for the Measure

Overall budget: **4.500.000,00 €**

R39 Reinforcement of tourism businesses through the Development Law

Geographic coverage

Regional

Legal Basis

Law 3299/04

Description of the problem the policy measure seeks to solve:

Goal and rationale of the measure

The measure involves the support of the tourism business in the Region of Western Greece. Through the Development Law, private sectors investment plans will be supported. The plans may refer to modernizing and expanding touristic units, creating new infrastructures, etc.

The decision for the support and development of regional SMEs aims mainly at strengthening local economy, at maintaining jobs and at creating new ones, with the overall aim of keeping the local population in the region and improving social cohesion.

Running Time of the Measure

2000-2006

Resources allocated for the Measure

Overall budget: 5.400.000,00 €

R-40 Local Employment Initiative: "Cores for employment and entrepreneurship support"**Geographic coverage**

Regional

Description of the problem the policy measure seeks to solve:

This measure involves actions that aim to boost employment and self-employment in regions or sectors that have special social or economic problems, as well as for special population groups, at a regional scale, that face social exclusion problems.

Goal and rationale of the measure

The measure involves the support of special population groups through interventions and initiatives related to regional and local development, economic and social needs of the regions with an aim to boost employment. The measure also includes horizontal actions for the improvement of the skills of the human workforce implementing the projects of the approved business plans, and also for the networking, awareness raising and dissemination, for all implemented interventions.

The specific objectives of this measure are:

- Growth of employment
- Prevention and reduction of unemployment
- Creation of alternative forms of employment
- Promotion of equal access opportunity to work market

Running Time of the Measure

2000-2006

Resources allocated for the Measure

Overall budget: 9.918.699,33 €

R-41 Cooperation for research, development and expertise transfer – Interregional Programme INTERREG IIIA. Greece – Italy**Geographic coverage**

Regional

Legal Basis

The cross-border program INTERREG IIIA GREECE-ITALY was approved on 11-03-2003, following the European Commission decision C (2003)108 / 11-03-2003.

Description of the problem the policy measure seeks to solve:

The general objective of the INTERREG IIIA GREECE-ITALY program is the strengthening of the cross-border cooperation between the two countries, so that the competitiveness of the entire area is enhanced and the common environmental and cultural resources are conserved and designated.

Goal and rationale of the measure

The strategic objectives are:

- Enhancement of communication between the areas through the improvement in accessibility and the simultaneous enhancement of transportation security
- Enhancement-conservation of common or similar environmental and cultural resources
- Strengthening of the economies' competitive advantage

Running Time of the Measure

2000-2006

Resources allocated for the Measure

The total program funds are: € 157,940,670, while the contribution of the commission is (ERDF funds): € 84,477,035.

Outputs and outcomes of the policy measure

The region of Western Greece has participated in the following Interreg projects:

INNOREF, REMOMED, La Tela di Aracne, Knowledge Network, E-prodat, S3, GRDP, FILE, ENMR (European network of regional mines)

R-42 Training of unemployed in certified professional training centres**Geographic coverage**

Regional

Description of the problem the policy measure seeks to solve:

The measure involves the implementation of life-long professional training programs and aims at the training or/and re-training of unemployed people.

Goal and rationale of the measure

The objective is to adapt the skills of the labor force to the expertise and thematic areas that meet the needs of the regional labor market, taking into account the specific needs of the unemployed people. The following sectors/professions are covered: health and welfare, economics and management, information technology, tourism and service provision, rural professions, technical and transport professions. Apart from the thematic training, the courses provided also involve training on entrepreneurship.

Running Time of the Measure

2000-2006

Resources allocated for the Measure

Overall budget: 1.748.229,00 €

R-43 Training of unemployed in certified professional training centres for the support of rural manpower**Geographic coverage**

Regional

Description of the problem the policy measure seeks to solve:

The measure involves the implementation of life-long professional training programs and aims at the training or/and re-training of unemployed people from rural areas.

Goal and rationale of the measure

The objective is to adapt the skills of the labor force to the expertise and thematic areas that meet the needs of the regional labor market, taking into account the specific needs of the unemployed people. The following sectors/professions are covered: health and welfare, economics and management, information technology, tourism and service provision, rural professions, technical and transport professions. Apart from the thematic training, the courses provided also involve training on entrepreneurship.

The courses are specifically targeted to rural areas manpower.

Running Time of the Measure

2000-2006

Resources allocated for the Measure

Overall budget: 1.675.489,00 €

R-44 Innovative Actions Programme (INNACT)

Geographic coverage

Regional

Description of the problem the policy measure seeks to solve:

- regional economy based on knowledge and technological innovation
- eEuropeRegio: the information society at the service of regional development
- regional identity and sustainable development

Goal and rationale of the measure

Region of Western Greece has elaborated a Programme of Innovative Actions[‡], which is aiming at supporting decisively the innovation in its geographical and administrative limits while at the same time reducing the "technology gap" that separates it from other more developed Regions in the European Union.

Towards this aim it has chosen to cover through a well-planned number of actions all the three strategic themes of the ERDF with the view of vivifying its regional economy, boosting its regional development, and stressing and maintaining its regional identity. The extensive use of the new information and communication technologies warrants the efficiency of the endeavour and ensures the success of the Programme.

RWG attempts to play a supplementary but crucial role to the application of state-of-the-art and emerging innovative mechanisms and processes to high priority regional sectors of its responsibility, such as competitiveness of SMEs, health and safety of citizens, transition to the new digital economy, and support of the traditional production sector.

RWG has set a series of strategic objectives and has undertaken clear commitments for their successful achievement. These objectives are analysed as follows:

- to open channels of fruitful communication between research organisations and SMEs in the region for the easy diffusion of the technological innovation
- to establish constant and useful bridges of collaboration and exchange of know-how between public research institutions and private R&D companies of the region in order for the latter to smoothly incorporate innovative methods and techniques in their production
- to contribute to the creation of new funding means for start-ups
- to help the economical transformation of a number of SMEs into viable and

[‡] Source: <http://www.ptapde.gr/projects/index.php?id=9>

prospective companies of the new digital economy

- to improve the provision of health care particularly in isolated areas of the region
- to increase the level of safety particularly for elderly and persons with special needs
- to promote new alternative solutions in the agricultural production sector, which are more friendly to the environment and more healthy than the existing ones.

Running Time of the Measure

2000-2004

Resources allocated for the Measure

Overall budget:

Community Participation: 2.935.386 €

National Participation: 734.046 €

Outputs and outcomes of the policy measure

Structure of the Programme and Results

ACTION 1: Promotion and implementation of innovations for strengthening SMEs competitiveness through recent technological advances.

Results of this action have been the Portal for Innovation in Western Greece and the Cluster Observatory in Western Greece .

ACTION 2: SMEs support for easy transition to the new digital economy.

The following supportive structures have been created under action 2:

- Firms Directory and Yellow Pages of Western Greece.
- 2 vertical markets of e-commerce.
- 50 pilot e-shops.
- Award mechanism for innovative enterprises.

ACTION 3: Use of innovative services in the health and safety sectors for the citizens.

The following systems have been developed under action 3:

- Implementation of an advanced technological system for treatment of medical – emergency situations (pre-hospital trauma support services)
- Medical Devices Vigilance System (MDVS)
- «Peace of mind» residential e-services

ACTION 4: Support of organic farming by adoption of innovative technologies.

Action 4 focused on the following activities:

- Analysis of organic farming management practices and retracting of the cultivation status
- Comparative investigations on the contamination of soil and water in organic and conventional agriculture and human health risk assessment
- Improvement of the services relative to disease and pest diagnosis
- Creation of three «Citizen Help Desks» in Agrinio, Patras and Pyrgos, as well as the Bio Network of West Hellas site.

ACTION 5: Participation in an interregional innovation network.

In the framework of action 5 the Interregional Innovation Conference has been organized.

ACTION 6: Technical assistance.

R-45 WISE: Western Greece Integration Strategy for Employment Stimulation

Geographic coverage

Regional

Description of the problem the policy measure seeks to solve:

The project WISE belongs to the framework of Innovative Measures of European Social Fund (article 6). Scope of this project is the development of an Integrated Strategy for Employment Stimulation in Western Greece Region.

The region presents low employment rates, due to the following reasons:

- Long-lasting de-industrialization of the region
- Lack of significant investments
- Intense inequalities in the region
- Lack of lifelong learning in new skills

The scope of the program is the development of an integrated strategy for the employment at the local level aiming at combating unemployment in Western Greece[§].

Goal and rationale of the measure

This program aims to elaborate an integrated strategy for employment at a regional level. The specific objectives of the program are:

- The establishment of suitable circumstances in all three Prefectures of the Region for the promotion of employment at the local level
- Information and sensitization on the policies discussed at the European level with respect to employment issues
- Collaboration with the Public Sector employees for the implementation of the employment strategy
- Registration of the current status of the labour market in the Region
- Development of "tools" that will support the entire effort

Running Time of the Measure

2000-2006

Resources allocated for the Measure

Overall budget: 731.573,77 €

§ Source: <http://www.ptapde.gr/projects/index.php?id=8>

Community Contribution: 479.246,77 €

National contribution: 252.327,00 €

Outputs and outcomes of the policy measure

The outcomes of the project involved the following:

- Analysis of the Region's social and economic data
- The creation of a dossier containing the proposed employment strategy at the regional level, structured in Actions and Measures that are possible to be integrated to the Regional Operational Program of Western Greece
- Submission of the dossier containing the proposed strategy to the Ministry of Labour and Social Security as well as to other competent authorities
- Presentation of the general implementation methodology
- Establishment of human networks by local and regional bodies for the support of the employment strategy at the local level

Moreover, the following outputs occurred:

- Organization of informative and awareness raising workshops for employment at a regional level
- Set up of human networks
- Elaboration of the following studies/reports:
 - Local employment baseline analysis
 - Exploring past experience
 - Exploring the existing job supply
 - Creating a new job supply
 - The profile of the unemployed
 - Factors hindering labour market participation
 - Exploring current Active Labour Market Policies
 - Training needs analysis
 - Creation of two Guides for Employment Strategies
 - Integration into mainstreaming

R-46 Regional governance reinforcement Programme “THISEAS”

Geographic coverage

Regional

Legal Basis

Law 3274/2004

Description of the problem the policy measure seeks to solve:

The programme aims to support 1st grade Local Government Organizations, with regard to the implementation of local development investments and the enhancement of the quality of the existing infrastructures and provided services, aiming at a balanced and sustainable development**.

Goal and rationale of the measure

Based on government strategic objectives for:

- Reinforcement of decentralization and self-governance institutions,
- Improvement of citizens services,
- Balanced national growth,
- and rational regional services organization,

the development Programme THISEAS aims to establish an integrated policy for local government, that will reinforce the developing role of the first grade local governance, through coordinated actions and funding schemes.

Running Time of the Measure

2005-2009

Resources allocated for the Measure

Overall budget: 3.500.000.000 € (public contribution)

Outputs and outcomes of the policy measure

Expected outcomes for the Region:

- Reduction of regional inequalities and reinforcement of the decentralization
- Planning of development infrastructures for the Region, through the appropriate coordination of national and regional scope projects and actions
- Establishment of a new, modern concept for competitive and sustainable

** Source: <http://www.ypes.gr/thiseas/index.html> (in Greek)

regional growth

For the citizens:

- Upgrade of the quality of services offered by local government for the better service of citizens
- Assurance of public interest, through a sound and efficient management of public funds.
- Reinforcement of social and political actions, aiming at the preservation of regional specificities and cultural wealth

For the country:

- Emphasis is given on:
- Balanced and sustainable growth for the country
- Readiness for emergencies confrontation
- Assurance of social cohesion
- Prevention and protection of the natural environment
- Increase of competitiveness in the European economy

R-47 Programme “POLITEIA” of the Region of Western Greece**Geographic coverage**

Regional

Description of the problem the policy measure seeks to solve:

The reformation and real re-establishment of Public Governance is a strategic goal and priority of the Ministry of the Ministry of Internal Affairs, Public Governance and decentralization. This political decision stems from the belief that Public Governance today is the most important factor limiting economic and social growth of the country.

The operational programme POLITEIA, as a tool of public governance, aims at re-establishing Public Governance, so as to become an institution guaranteeing development and social cohesion. ^{††}

Goal and rationale of the measure

The programme involves the following measures:

- Improvement of Human Resources
- Extending the Use of Technology and Improvement of Infrastructure
- Readjustment and Improvement of Administrative Functions & Methods
- Improvement of Relations between Administration and Citizens
- Technical Support

Running Time of the Measure

2005-2007

Resources allocated for the Measure

Overall budget: 3.213.000 €

^{††} Source: www.gspa.gr (in greek)

R-48 Operational Programme Information Society for the Region of Western Greece

Geographic coverage

Regional

Description of the problem the policy measure seeks to solve:

The main goal of the measure is the best possible preparation of the regional planning for the implementation of the “Information Society” Operational program in the Region of Western Greece.

Goal and rationale of the measure

This programme involves the actions implemented through the Operational Program “Information Society” for the region of Western Greece. These include:

- Elaboration of feasibility study for the Information Society Operational Programme
- Encouragement of Broadband in the region of western Greece
- Monitoring Information System for the region of western Greece
- Syzefxis project in the region of Western Greece
- The project “procurement, installation and set up of information systems for supporting prefecture governments of regions of Western Greece, Peloponnisos, Crete and South Aegean
- Digital governance (Invitation 148)

Running Time of the Measure

2000-2006

7.2. Typology of services innovation related policy measures

According to L. Georghiou (2006), the term innovation policy refers to any policy which seeks to help firms, singly or collectively, to improve their capacity to innovate. This includes the provision of scientific infrastructure in research and education and direct and indirect support for research and technological development. It also includes a wide range of policies which aim to build networks, to make markets more conducive to innovation, to facilitate the transfer of technology, to help firms to acquire relevant capabilities, and to provide a supporting infrastructure in areas such as standards and intellectual property. Many other public policies also affect innovation, though this is not their main object. This group includes macro economic policies, education more generally, public procurement, regulation (pollution or health and safety), and competition policy.

In particular, the role of R&D as a source of innovation in the service sector is not well understood. Moreover, existing definitions of R&D and innovation are not always appropriate outside of the industrial, manufacturing or technological frameworks. Thus, the significance of innovation in services has not, until recently, received much recognition within government policy making

(European Innovation Progress Report 2006).

The academic literature, however, notes that few innovation support policies address innovation in services (Howels, 2000). Ostensibly sector neutral measures manifest a bias towards manufacturing (Miles, 2005). Thus, as is mentioned by European Innovation Progress Report 2006, existing national portfolios of innovation support measures tend to be under – utilized by service companies.

As suggested by innovation surveys, service sector firms innovate for many of the same reasons as manufacturing firms: to increase market share, to improve service quality and to expand product or service range. However, how innovation occurs in the service sector is less well understood. Compared to manufacturing, most innovations in services appear to be non technical and result from small incremental changes in processes and procedures that do not require much formal research and development (R&D). Developing policy to support service- sector innovation may therefore require new policies and programmes.

OECD economies are increasingly services – oriented. That is, they are increasingly dominated by industries that aim to deliver help, utility or care, and experience, information or other intellectual content. Most of their value added is intangible rather than incorporated into a physical product.

The service economy has grown rapidly in recent years. Growth in business services has benefited from recent changes in corporate management: increased investment in intangible activities, growing emphasis on knowledge management, renewed focus on

core competencies, outsourcing of some activities and greater reliance on external service providers.

Besides, in most countries, the manufacturing sector now relies more heavily on telecommunications, business and computer services with a view to stimulating greater productivity. They also link products and services as a central element of their broad competitive strategy. Manufacturing firms are, more and more, providing product – service packages (**AEGIS, 2002**)

According to European Innovation Progress Report 2006, concerning the mention of innovation in services in policy documents, Greece has been classified to a subgroup of EU member states, where the topic appears to have attracted no or very little policy attention.

Just like the general trend, innovation support measures in Greece appear to be of a horizontal nature, that is, one can hardly identify specific examples of innovation support measures with an explicit orientation towards the service sector.

Therefore, the taxonomy of innovation policy measures, provided below does not classify those measures according to business field.

On the other hand following the taxonomy provided by L. Georghiou (2006) all measures listed in previous chapter, as national and regional level innovation measures have been classified according to a general and horizontal taxonomy framework concerning the supply and demand side.

Budget information is given for each measure, to allow a rough comparison of the budget allocated for each category. For the national measures, a percentage of the overall budget is attributed to the region, based on the regions share in the national GDP (~5,7%). Please note that the financial data for the region is only an estimate, for analysis purposes.

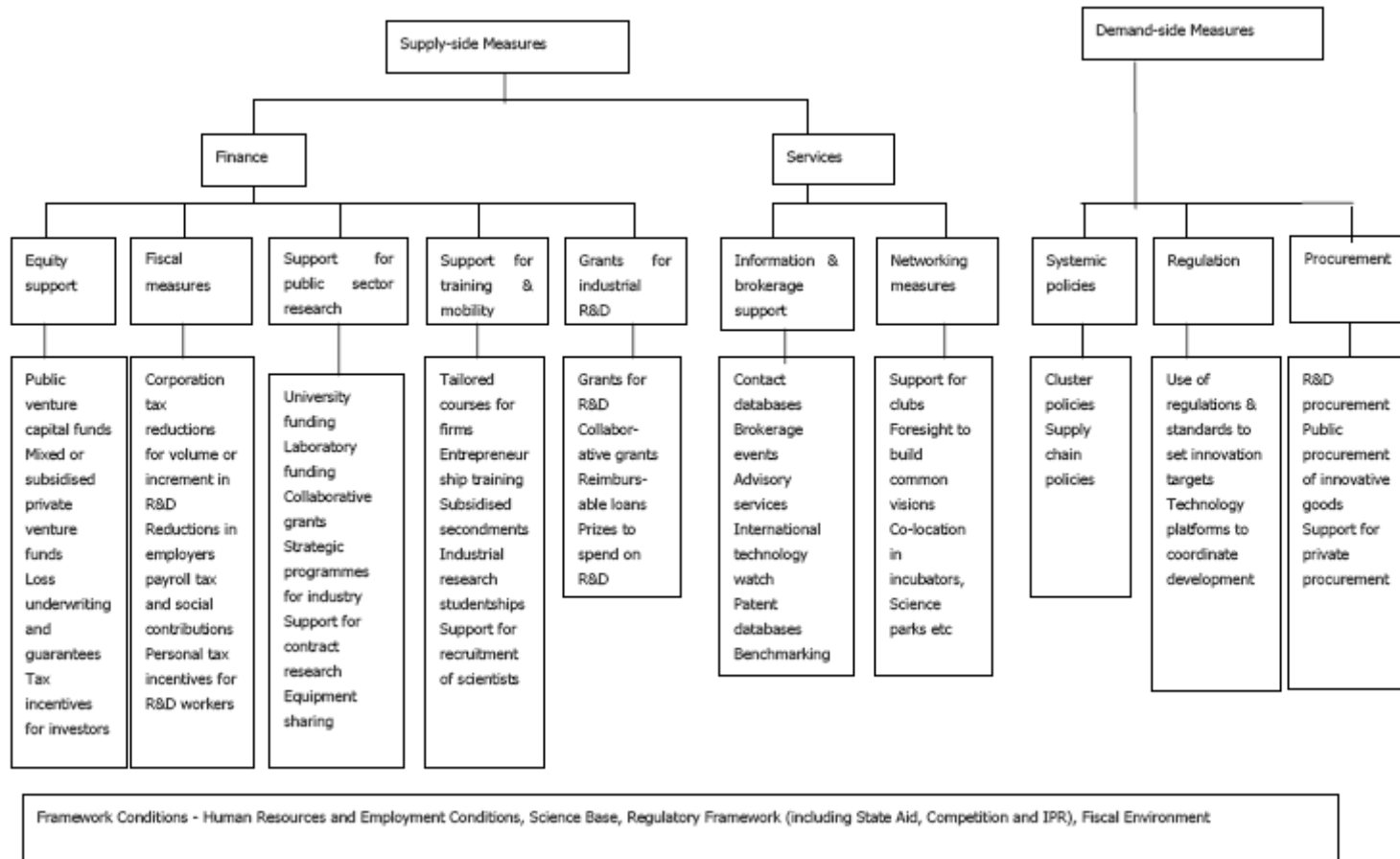


Figure 4: Taxonomy of Innovation Policy Measures

7.2.1. Supply-side measures

1.A. Finance related measures

1.A.1 . Equity support

1.A.1.1. Public venture capital funds

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-15	Certify yourself	2001-2006	36.684	2.091
N-28	New Economy Development Fund S.A. (TANEO S.A.)	2001-2006	150.000	8.550
TOTAL			186.684	10.641

1.A.1.2 Mixed or subsidised private venture funds

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
R-40	Local employment Initiative: Cores for employment and entrepreneurship support	2002- 2006	9.918	9.918
N-3	Metecho (participate)	2005-2007	26.000	1.482
N-4	Energy demonstration projects for innovative technologies	2005-2007	5.428	309
N-13	Support for Integrated Business Plans of SMEs and microenterprises (SMEs and VSEs)	2001-2006	448.915	25.588
N-25	Network yourself Programme	2001-2006	88.040	5.018
N-36	Demonstration projects Programme - PEPER	2001-2006	27.023	1.540
R-38	Integrated Actions for Urban Development- Reinforcement of SME's in manufacturing, tourism and other sectors from the tertiary sector	2006-2008	4.500	4.500
TOTAL			609.824	48.356

1. A.2. Fiscal measures

1. A.2.1 Corporation tax reduction for volume or increment in R&D

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-36	Investment law (Support to private investment for the regional development of the country)	2001-2006	805	46
TOTAL			805	46

1. A.2.2. Reductions in employer's payroll tax and social contribution

No relevant measures were identified under this heading.

1.A.3. Support for public sector research

1.A.3.1. University funding

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-11	Encouragement of entrepreneurial activities, innovative applications and elective courses for tertiary education students	2002-2004	10.000	570
N-12	Supporting entrepreneurial ideas through tertiary education structures	2002-2006	4.600	262
N-33	Liaison offices (in universities, technical colleges, research centers)	2003-2006	5.869	335
TOTAL			20.469	1.167

1.A.3.2 Laboratory funding

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-2	Regional Innovation Poles	2006-2008	15.000	855
N-16	Excellence in the GSRT Supervised Research Centers and Institutes	2001-2006	26.800	1.528
N-22	Research centers development and service providing projects with user participation	2001-2006	31.000	1.767
TOTAL			72.800	4.845

1.A.3.3. Collaborative Grants

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-35	Programme for the Development of Industrial Research & Technology (PAVET) in Young Firms	2001-2006	85.000	4.845
TOTAL			85.000	4.845

1.A.3.4. Strategic Programmes for industry

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-14	International Co-operation in Industrial Research and Development Activities in the Pre-competitive Stage	2002-2006	21.400	1.220
TOTAL			21.400	1.220

1.A.3.5. Support for contract research

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-9	Human networks of research and technology training	2002-2006	10.468	597
N-26	Programme for the exploitation of research results through the establishment of academic spin offs PRAXE	2001-2006	72.693	4.143
TOTAL			83.161	4.740

1.A.4. Support for training & mobility

1.A.4.2. Entrepreneurship training

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-5	Training of human resources of firms on technological and organisational modernization	2001-2006	15.560	887
N-6	Training and transfer of know how for the start up of new business activities	2001-2006	2.000	114
N-17	Support to female entrepreneurship	2001-2006	102.000	5.814
N-19	Reinforcement of Youth Entrepreneurship	2001-2006	127.698	7.278
R-39	Reinforcement of tourism business through the Development Law	2000-2006	5.400	308
TOTAL			252.658	14.102

1.A.4.3. Subsidised Secondments

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-8	Training in Research & Technology (R&T) management	2004-2006	3.000	171
R-42	Training of unemployed in certified professional training centers	2000-2006	1.748	100
R-43	Training of unemployed in certified professional training centers for the support of rural manpower	2000-2006	1.675	95
TOTAL			6.423	366

1.A.4.4. Industrial Research studentship

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-24	Programme for the reinforcement of research manpower PENED	2001-2006	74.189	4.228
TOTAL			74.189	4.228

1.A.4.5. Support for recruitment of scientists

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-21	Programme for the Placement of Researchers from Abroad to the Greek R&T System – ENTER	2001-2006	7.556	431

N-27	Employment of New Researchers in Enterprises (HERON)	2001-2006	12.000	684
TOTAL			19.556	1.115

1.A.5. Grants for industrial R&D

1.A.5.1. Grants for R&D

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-31	Open Gates	2001-2006	5.715	326
TOTAL			5.715	326

1.A.5.2. Collaborative Grants

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-1	Reinforcement of SMEs in subcontracting	2005-2008	24.234	1.381
N-10	Research and Technological Development Consortia in Sectors of National Priority	2002-2006	137.978	7.865
N-29	Bilateral Cooperations for Research and Technology	2001-2006	68.366	3.897

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
R-41	Cooperation for research development and expertise transfer - Interregional programme INTEREG IIIA Greece- Italy	2000-2006	157.940	157.940
R-44	Innovative actions Programme (INNACT)	2002-2004	3.660	3.660
TOTAL			392.178	22.354

1.A.5.3. Reimbursable loans

No relevant measures were identified under this heading.

1.A.5.4. Prizes to spend on R&D

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-23	Awards and financial support to inventors	2000-2006		

1.B. Services

1.B.1. Information & brokerage support

1.B.1.1. Contact Databases

No relevant measures were identified under this heading.

1.B.1.2 Brokerage events

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-34	Technology Brokers: Development and networking of services provision enterprises in subjects relevant to technology transfer and know how	2003-2006	6.433	366
R-45	WISE: Western Greece Integration Strategy for Employment Stimulation	2000- 2006	731	731
TOTAL			7.164	408

1.B.1.3. Advisory services

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-18	Centers of Entrepreneurial and Technological Development	2001-2006	33.000	1.881
TOTAL			33.000	1.881

1.B.1.4. International technology Watch

No relevant measures were identified under this heading.

1.B.1.5. Patent Databases

No relevant measures were identified under this heading.

1.B.1.6. Benchmarking

No relevant measures were identified under this heading.

1.B.2. Networking measures

1.B.2.1 Support for clubs

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-7	Clustering of SMEs	2004 - 2006	46.955	2.676
TOTAL			46.955	2.676

1.B.2.2. Foresight to build common visions

No relevant measures were identified under this heading.

1.B.2.3. Co-location in incubators

No relevant measures were identified under this heading.

1.B.2.4. Science Parks etc

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
N-20	Support of Incubators and S&T Parks in Greece - ELEFTHO Programme	2001-2006	68.900	3.927
TOTAL			68.900	3.927

7.2.2. Demand-side measures

2.C.1 Systemic policies

No relevant measures were identified under this heading.

2.C.2 Regulation

No relevant measures were identified under this heading.

2.C.3 Procurement

2.C.3.1. R&D procurement

No relevant measures were identified under this heading.

2.C.3.2. Public procurement of innovative goods

Measure	Title	Running time	Overall budget (M€)	Estimated budget for the WGR (M€)
R-46	Regional governance reinforcement Programme "THISEAS"	2005-2009	3.500.000	199.500
R-47	Programme "POLITEIA" of the Region of Western Greece	2005-2007	3.213	183
R-48	Operational Programme Information Society for the Region of Western Greece	2000-2006		
N-30	Networks - EDET (National Network for Science and Technology)	2001-2006	20.000	1.140
N-32	Programme Technomathia (Education in Crafts)	2001- 2006	2.035	116
TOTAL			3.525.248	200.939

2.C.3.3. Support for private procurement

No relevant measures were identified under this heading.

8. Measures promoting services internationalization

No specific measures promoting services internationalization were identified, for the region of Western Greece. INTERREG programmes and the Development Law could be considered relevant. These measures are described in the previous section.

9. Future policy measures

There is not yet available a published programme concerning specific strategy on Service Innovation in Greece as such.

There are however important policy documents and strategies that were adopted during these last years, that deal among others with the issue of innovation but in a horizontal way, opening up the way for drafting and adoption of specific innovation and service innovation strategies and policies.

9.1. *National Reform Programme for Growth and Jobs*

One of these important policy documents is the “National Reform Programme for Growth and Jobs, 2005-2008” by the Greek Ministry of Economy and Finance.

The Greek National Reform Programme was drafted according to the Integrated Guidelines (COM2005/141), in the context of the review of the Lisbon Strategy. It was presented and agreed by the European Councils in 2005 (March and June)

The main objectives stated are to enhance employment, growth and social cohesion.

The 4 major priorities stated in the Programme to achieve these objectives are:

- **To restore fiscal balance and ensure the long-term sustainability of public finances**, with the immediate priority to reduce the deficit below 3% by the end of 2006 and restrain it further in the following years.
- **To increase productivity**, by addressing the structural problems in the operation of the markets, investing in human capital and promoting a knowledge-based society.
- **To improve the business environment**, enhance competition, liberalize regulated markets, increase external openness and benefit from the country’s geopolitical position so as to turn Greece into a main business hub in South-Eastern Europe.
- **To increase employment rates**, reduce unemployment and improve the effectiveness of education and training through a series of targeted actions, which reduce at the same time the risk of social exclusion.

Innovation as a prerequisite or policy objective appears more frequently in the 2nd and 3rd objective.

While analyzing the different Policy Issues the NRP deals with, we will refer primarily to selected policy objectives that affect directly or indirectly the development of Innovation and more specifically Innovation in Services.

Follows a short description of the main issues dealt within the NRP, and the specific policy measures and actions that affect Innovation.

1. The “Long-Term Sustainability of Public Finances”

Healthcare is mentioned explicitly as an area where spending is to be rationalized among others through the Introduction of Information Systems.

Another policy initiative to attain the above objective, is the active promotion of Public Private Partnerships soon to be applied to three main areas that will serve as pilots; namely, healthcare, development of state property and ICT.

Also a new bill on public procurement is being prepared, aiming at decreasing the dispersion of orders and at rationalizing the system. The basic principle of the draft bill is the central management of procurement which, combined with the operation of the integrated information system, will allow for central international biddings.

2. “Structural Reforms in the Product Markets”

a. One of the priorities identified in this context is the need to “Improve the business environment”.

An important tool toward this goal is the new investment law which supports investments of new, as much as old enterprises, promotes their modernization, fosters the use of new technologies and innovation and contributes to higher employment and regional development.

Besides, the new law 3325/2005 on the **licensing of Manufacturing Enterprises**, the **legislation for the licensing of enterprises in the Service sector and Commerce**, the legislation for the **provision of one-stop-shop services by Chambers of Commerce**, as well as the law on the **General Registry of Commercial Enterprises**, will promote entrepreneurship and increase business competitiveness.

Entrepreneurial activity is further encouraged through the introduction and operation of a network of **entrepreneurship clusters**.

Lastly, specific action is taken for the promotion of entrepreneurship in the field of **education**. A key step is the introduction of **modules on entrepreneurship** in the undergraduate curricula of higher education institutions.

b. Support Small and Medium Sized Enterprises to make them more competitive.

SMEs form the basis of economic and social life in Greece and they are at the heart of government policies on business environment. The strategic goal of the government’s policy on SMEs is to release their vast potential in improving competitiveness, increasing employment, enhancing economic growth and improving social cohesion.

c. Support Industry

Industry, which includes a significant number of small and medium sized manufacturing enterprises, continues to play an important role in the economic development of Greece, by contributing to production and by supporting the development of the service sector.

The government's policy, which is in part implemented through the policy on SMEs, aims at increasing the sector's involvement in the support programmes, encouraging investment, reducing taxation, securing competition, improving infrastructure (especially in industrial areas), introducing quality, Innovation and new technologies in the production process, reducing administrative burden, encouraging cooperation between enterprises and promoting entrepreneurial excellence.

Over the next three years the government's industrial policy will keep pushing in the same direction, placing emphasis on the following priority areas: some of which are

- Improving the provision of services at regional level concerning licensing, attracting investment, providing information on existing programmes.
- Simplifying the legal and regulatory framework through the introduction of an evaluation system for the impact of legislation on enterprises.
- Introducing new technologies, quality, and Innovation.
- Modernizing and restructuring specific sectors.
- Increase the participation of industries in public procurement.
- Providing access to venture capital.
- Creating industrial clusters, promoting cooperation between enterprises.
- Promoting business excellence.

d. Support Tourism

Tourism is one of the leading sectors in the country's development. The implemented policy on tourism aims at upgrading and enriching the tourist product through structural interventions within a long-term (10 year) strategy:

3. Market Liberalization and Competition Enhancement.

In that Context we find some policies and actions that directly or indirectly favor the emergence of Innovation in services.

a. The Institutional developments to support Liberalisation and Competition

- Law 3377/2005 on the operation of commercial entities
- National Council of Electronic Commerce is being established, with the aim to promote e-business.
- The entire system for the management of public procurement is being revised
- The plan to introduce a National System of Electronic Public Procurement (the relevant call for tender will soon be announced) will allow for electronic biddings, procurement contracts as well as the monitoring of their progress.

b. Liberalisation of Network Industries

The government is committed to speed up the liberalization of the network industries in order to improve the competitiveness of the Greek economy and to ensure that consumers enjoy a higher quality of services at lower prices.

An important factor for the further development of the telecommunications market is the new bill on **Electronic Communications**, which brings Greek legislation in line with the regulatory framework of the European Commission. The new bill sets up a

reliable institutional and regulatory framework, which is a necessary prerequisite in order to attract investment in electronic communications.

Meanwhile, the project “**Commission of the National System for Spectrum Operation and Supervision**” (ESDEF), co-funded by the EU, is already underway and is expected to be completed by 2008. It will contribute to a more rapid development of new wireless technologies and their applications and will help create a competitive environment in the radio communications sector.

4. The Knowledge-Based Society

Education, scientific research, technology and Innovation are important elements of the Knowledge-Based Society and determining factors for productivity growth and increased competitiveness in Greece.

a. Research and Development - Innovation

The priorities in R&D policy aim to eliminate the deficit of Greece in research, Innovation and technology compared with other EU member states and to link R&D with the production process.

Greek Government target is to increase R&D spending from 0.65% of GDP to 1.5% by 2010, with the contribution of the private sector. Specifically for attracting private funds (domestic and foreign) on R&D and innovative activities, the new investment law provides investment incentives in the form of tax relief and/or direct and indirect subsidies for investment on, inter alia, applied research labs, the provision of innovative electronic and broadband communication services, software development and the provision of cutting-edge technology services.

The National Strategy on Research and Technology is primarily pursued through the Operational Programmes “Competitiveness” and “Information Society”. At the same time, the programme PRAXE for the creation of academic spin-offs has passed into the second phase of its implementation, the programme PAVE for the development of industrial research is being re-activated and the “International Cooperation Programme in Industrial R&D Activities in Pre-Competitive Stage” is being launched.

These programmes are financing actions aiming at:

- attracting foreign investment in cutting-edge sectors
- developing industrial research and increasing research personnel
- developing new knowledge-based entrepreneurial activities and providing the necessary mechanisms for their promotion (industrial technology parks and cells)
- promoting collaboration between private corporations and public research organisations in planning and implementing research projects
- intensifying cooperation between public research labs and private enterprises
- promoting public and private research activities in the international scene
- utilising technological progress in order to achieve economies of scale in production
- establishing Regional Innovation Poles and Zones. The Innovation Zone in Thessaloniki, in particular, will involve a public expenditure of € 30 million

and will bring together a significant number of R&D bodies such as enterprises, research bodies, knowledge – intensive business incubators, universities and other education/ training institutions.

- utilizing research output and putting it into commercial use.

Furthermore, an integrated Digital Strategy will be implemented over the period 2006-2013, addressing in a unified manner computing, new technologies and the development of necessary skills. It will cover the whole range of public administration and the economy, aiming at increasing the productivity of businesses, improving efficiency in public administration and citizens' living standards. The Digital Strategy 2006-2013 is compatible with the Lisbon Strategy, the e-Europe policy and the new European policy i2010 for the Information Society.

b. Increasing Investment in Human Capital

Greek Government target is to increase public spending on education to 5% of GDP by 2008. Important initiatives have already been taken aiming at making the educational system more flexible and coherent, improving quality and effectiveness through decentralization, reduced bureaucracy and the introduction of assessment schemes at all levels.

c. Education and Information & Communication Technologies (ICT)

Teachers in primary and secondary education, in technical vocational training, when participating in all schemes of teachers' training (fast-track, introductory, in-school, distance learning, medium and long-duration), are receiving training in the use of ICT, with the aim to promote open and distance learning, the use of new technologies in education and the development of the necessary skills in the use of these technologies. Training can be compulsory or voluntary (within or outside school hours). It is estimated that 150,000 teachers will receive training on basic ICT skills and a further 20,000 on the pedagogic-teaching applications of ICT.

Meanwhile, the schools in primary and secondary education are being provided with the necessary infrastructure in hardware and software, in order to rise up to the needs and challenges of the Knowledge and Information-Based Society.

5. Regional and Social Cohesion

With regard to regional cohesion:

- Specific action is being planned for **rural development** aiming at enhancing entrepreneurship, encouraging production in rural industrial plants, promoting agri-tourism and the production of high quality and high value-added products. In addition, regional development is being facilitated through the promotion of **alternative types of tourism**
- The electronic communications network is being upgraded through the expansion of broadband infrastructure in remote regions with the aim to reduce the "digital gap". • Law 3377/2005 establishes the "Regional Innovation Poles", with the aim to promote regional development through the creation of nodes of technological skill and excellence in the periphery.

The main objective is to improve competitiveness by promoting research, technology and innovative practice in the Regions.

6. Rebuilding Public Administration

Public Administration Reform is a strategic choice of the Greek government, in recognition of the decisive role that improved public administration can play in creating the necessary conditions for economic and social progress. The main targets in upgrading the state's administrative functions among others are:

- Improving the productivity and quality of public services.
- Preventing exclusion from the knowledge-based society
- Administrative transparency – fighting corruption.
- The Development of electronic governance.
- Transforming Citizens' Service Centers (KEP) into integrated transactions centers.

The reform of the Public Administration is directly linked to the programmes “POLITEIA: Reforming Public Administration 2005-2007” and “THISEAS 2005-2009”.

The reforms in public administration are already underway. Among the measures already under implementation are:

Law 3242/2004 which **simplifies administrative procedures**. This includes the establishment and operation of a central committee for the simplification of administrative procedures, the collection of documents required for a procedure within public services, without the citizen's involvement (subject to his/her permission), the **institutionalization of tele-conferencing** and the replacement of a number of certification papers by a formal statement signed by the citizen.

7. Employment – Training – Education

The Ministry of Employment and Social Protection centers its strategy on the mobilization of the economic and human resources of the country as a whole, by boosting competitiveness, quality and Innovation and by utilizing the country's competitive advantages, in order to create more and better jobs - accessible to all - and develop the country's regions.

This strategy attempts to improve the adaptability of businesses and the labour force to the changing conditions of international competition and to technological and productivity developments

8. The Contribution of the CSF 2000-2006 and the NSRF 2007-2013 to the NRP 2005-2008

The EU co-financed development initiatives are an important aspect of the Lisbon Strategy for Greece.

A significant number of actions included within the 3rd Community Support Framework (CSF) and the National Strategic Reference Framework (NSRF) 2007-2013 will contribute to the achievement of the priorities set in National Reform Programme (NRP) 2005-2008.

About the CSF:

The main target is to effectively incorporate the Lisbon priorities into the current period's interventions until the completion of the CSF (2008), as well as to use the CSF as a tool for achieving the national priorities set in the current NRP

Out of the ongoing process of drawing up the national development plan for the period 2007-2013 and after extensive consultation with local and regional authorities, the socio-economic partners and non-governmental organizations, seven (7) Strategic Development Axes have been identified for the NSRF at programming level. The NSRF Axes are presented below with reference to the 3 main priorities of the revised Lisbon Agenda and the corresponding Community Strategic Guidelines for the Cohesion Policy.

PRIORITY AXIS No. 1: Regional Development – This axis forms the regional section of the NSRF and will include five (5) Regional Operational Programmes, one ROP for each Major Development Region (Central – Western – Eastern Macedonia & Thrace, Thessaly, Eperos, Sterea Ellada, Western Greece – Peloponnesus – Ionia, Crete – South Aegean – North Aegean, Attica). Within this axis there will be funding for works related to services of general economic interest, secondary networks, infrastructure in education, culture, welfare, environment, health (infrastructure), urban development etc.

PRIORITY AXIS No. 2: Entrepreneurship & External Openness – The second axis of the NSRF includes interventions aimed at private investment, entrepreneurship infrastructure, access to finance, R&D, Innovation, tourism, shipping and the management of sports and cultural infrastructure.

PRIORITY AXIS No. 3: Reinforcement of Accessibility and Services of General Economic Interest – The 3rd axis of the NSRF has been formulated in line with the 1st priority of the European Cohesion Policy 2007-2013 and will promote interventions in the following areas: Trans-European networks, the railway network, national ports, basic energy networks, natural gas, oil and electricity.

PRIORITY AXIS No. 4: Digital Convergence & Administrative Reform of Public Administration – This axis is primarily linked with the 2nd European priority on economic growth and employment (“Improving knowledge and Innovation for growth”) but also with the governance sector, which is emphasized in the new Guidelines on the Cohesion Policy. It includes the sectors of electronic communications and ICT, e-business, e-governance, public administration reform at central, regional and local levels, interventions on public buildings, the support of final beneficiaries, start-up of various bodies and structures etc.

PRIORITY AXIS No. 5: Sustainable Development – Policies within the Göteborg priorities are promoted primarily through the 5th Axis of the NSRF (complemented by the Regional Section of the NSRF), which includes interventions like: environmentally friendly urban transport, basic environmental infrastructure on solid and waste water management, civil protection-risk prevention, protection and promotion of the natural environment, quality of urban and build environment, entrepreneurship in the area of the environment, rational management of natural resources, spatial planning.

PRIORITY AXIS No. 6: Development of Human Resources – The European Employment Strategy and the corresponding 3rd basic Lisbon priority (create more and better jobs) are promoted through the 6th Axis, which includes interventions in the fields of education, basic research, training – labour market, welfare & mental health, promotion of equal opportunities.

PRIORITY AXIS No. 7: Promotion of cross-border, transnational and inter-regional cooperation – This important regional dimension of the European Cohesion Policy is promoted through a distinct Axis in the NSRF.

9.2. Other Programmes

Complementary to the NRP and to the NSRF are two more important Operational Programmes / Strategies that affect the promotion Innovation in Services directly or indirectly.

- The Operational Programme Politeia for rebuilding Public Administration
- the Operational Programme for the Information Society 2000 – 2006 (projects implemented until 2008) and its revision for 2006-2013 (*Greek Digital Strategy 2006-2013*)

Greek Digital Strategy 2006-2013

The new digital strategy places ICT high in the country's agenda and treats new technologies as a strategic priority for Greece for the period 2006-2013, adhering to the principles of the EC "i2010" action plan.

6 primary components-targets, including:

- Business Productivity
 1. Boost ICT uptake by businesses
 2. Offer a large number of digital services to businesses
 3. Support the ICT sector as a pillar of the Greek economy
 4. Support entrepreneurial activity in ICT-enabled ventures
- Quality of Life
 1. Improve citizen welfare through ICT
 2. Develop e-services for the citizen

The tools for implementing the new Digital Strategy, comprise The current Operational Programme “Information Society” and Operational Programmes of the 4th Programming period. For more information www.infosoc.gr

10. Conclusions

Our study on policy measures relating to service innovation in the Region of Western Greece, within the broader economic and social context of the region, revealed several significant findings, which are briefly discussed below.

1. A general conclusion is that in the Region of Western Greece, the requirements for the development of innovation are not fully met. Namely, the region presents quite low prosperity indicators, compared to the European average, it relies on a relatively poor economic and business environment for the development and growth of local enterprises and it is heavily dependent on central government directions in terms of innovation initiatives and policies. These conditions do not facilitate the introduction and implementation of (regional) innovation policies and hamper the creation of a local innovation-based economic growth, with the exception of Universities and Research Institutes that operate in the Region. These are traditionally the main innovation actors creating a substantial potential in terms of innovation and growth. These organizations are the main beneficiaries of innovation policy measures, but they also often contribute to innovation policy formulation, both at regional and national level. However, research and innovation activities carried out in the region often remain disconnected from the regional businesses and economic activities and therefore, do not directly induce further innovation development.

Nevertheless, forthcoming initiatives and framework programmes and policies are expected to put emphasis on overcoming these limitations, aiming at the establishment of a favorable business environment, for innovation creation in the Region. The role of the regions themselves in the shaping of innovation policies is expected to be reinforced. For example, in the next Framework Programme (4th community support framework, 2007-2013) about 80% of the total funding is expected to be assigned to and managed by, the regions themselves.

2. Regarding innovation policy measures, **no specific measures exclusively targeted to services were identified**, despite the fact that the regional (as well as national) economy is mostly service-based. However, the majority of the existing innovation measures do not exclude services and the service sector in general, as they equally address all sectors, without being biased towards manufacturing. This trend is in line with the Innovation Strategies found in most EU member states, since the notion of service innovation is still being investigated.

The study also revealed that the existing national policy measures aim to boost innovation by setting in motion a wider development process that relies on reinforcing crucial key economic and social factors, such as:

- training
- reinforcement of entrepreneurship
- introduction of ICT in traditional economic sectors
- support for R&D (though not balanced between private and public sector),
- reinforcement of private direct investments for innovative goods and services

- modernization of the public sector (e-government) as an enabler and accelerator for innovation
- formation of clusters, etc.

In some cases, the above measures target specific business sectors, such as tourism.

3. The classification of the identified measures according to Georghiou's taxonomy model, led to some interesting conclusions. The estimated budget share across the categories provided by that model is summarized in the following table:

Category	Number of National Measures	Number of Regional Measures	Overall Budget (M€)	Estimated Budget for the WGR (M€)
1. Supply-side Measures				
1.A. Finance related measures				
<i>1.A.1. Equity support</i>				
1.A.1.1. Public venture capital funds	2		186.684	10.641
1.A.1.2 Mixed or subsidised private venture funds	1	2	609.824	48.356
<i>1.A.2. Fiscal measures</i>				
1.A.2.1 Corporation tax reduction for volume or increment in R&D	1		805	46
1.A.2.2. Reductions in employers payroll tax and social contributions				
<i>1.A.3. Support for public sector research</i>				
1.A.3.1. University funding	3		20.469	1.167
1.A.3.2 Laboratory funding	3		72.800	4.845
1.A.3.3. Collaborative Grants	1		85.000	4.845
1.A.3.4. Strategic Programmes for industry	1		21.400	1.220
1.A.3.5. Support for contract research	2		83.161	4.740
<i>1.A.4. Support for training & mobility</i>				
1.A.4.1. Tailored courses for firms				
1.A.4.2. Entrepreneurship training	4	1	252.658	14.102
1.A.4.3. Subsidised Secondments	1	2	6.423	366
1.A.4.4. Industrial Research studentship	1		74.189	4.228
1.A.4.5. Support for recruitment of scientists	2		19.556	1.115
<i>1.A.5. Grants for industrial R&D</i>				

Category	Number of National Measures	Number of Regional Measures	Overall Budget (M€)	Estimated Budget for the WGR (M€)
1.A.5.1. Grants for R&D	1		5.715	326
1.A.5.2. Collaborative Grants	3	2	392.178	22.354
1.A.5.3. Reimbursable loans				
1.A.5.4. Prizes to spend on R&D	1			
TOTAL (Finance Related Measures)	27	7	1.830.862	118.351
1.B. Services				
<i>1.B.1. Information & brokerage support</i>				
1.B.1.1. Contact Databases				
1.B.1.2 Brokerage events	1	1	7.164	408
1.B.1.3. Advisory services	1		33.000	1.881
1.B.1.4. International technology Watch				
1.B.1.5. Patent Databases				
1.B.1.6. Benchmarking				
<i>1.B.2. Networking measures</i>				
1.B.2.1 Support for clubs	1		46.955	2.676
1.B.2.2. Foresight to build common visions				
1.B.2.3. Co-location in incubators				
1.B.2.4. Science Parks etc	1		68.900	3.927
TOTAL (Services)	4	1	156.019	8.892
TOTAL (Supply-Side)	31	8	1.986.881	127.243
2. Demand-side measures				
<i>2.C.1 Systemic policies</i>				
<i>2.C.2 Regulation</i>				
<i>2.C.3 Procurement</i>				
2.C.3.1. R&D procurement				
2.C.3.2. Public procurement of innovative goods	2	3	3.525.248	200.939
2.C.3.3. Support for private procurement				
TOTAL (Demand-Side)	2	3	3.525.248	200.939

Table 13: Summary of Measures Classification

From the perspective of policies targeting innovation process acceleration, supply-side measures significantly dominate those classified in demand-side categories.

Regarding, however, budget allocation, demand side measures funding appears to be superior to funding available to supply side measures. This is mainly due to the fact,

that demand side funding supports policy measures not directly targeting innovation, but essentially supporting public sector modernization. Despite the fact that these measures serve different policy objectives, we have also included and classified these measures that indirectly affect innovation process in the Region.

Regarding supply-side measures, all categories proposed by Georghiou seem to be covered, both Finance and Services respectively, providing an integrated framework towards innovation growth.

Regional measures, despite the fact these are quite few, also seem to be distributed across most categories, in a similar allocation scheme to that we find at the national level.

Most of those regional measures (regarding quantity and budget) focus on training, as well as on supporting R&D activities.

4. Regarding services internationalization, no specific relevant policies were identified. Some aspects of the Investment Law and some INTERREG initiatives may be considered relevant under this heading.

5. As far as future policies are concerned, a lot of emphasis is expected to be put on innovation at regional level. Given the importance of the service sector in Western Greece Region the provision of specific measures for service innovation seems to be a priority for national and regional innovation strategic planning.

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