

## **The contribution of Community Support Framework (CSF) in the development of coastal area in Greece.**

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### **1 INTRODUCTION**

Greece has an extensive coastline, which means that it also has an extensive coastal area. Simultaneously, the bigger percentage of the population lives in the coastal regions, as a result of which the coastal area presents important problems because of the intensity of human activities. The lack of infrastructures and the insufficient legislation have led to the deterioration of the situation in this area, naturally at the expense of the natural resources.

In the efforts made both for the resolution of the problems in the coastal area, and for its growth, an important role has been played by the economic aid from the European Union via the Community Support Framework (CSF).

As is analyzed below, the support of the sectors of production by the CSF have an important effect in the coastal regions, since big rural extents, manufacturing enterprises and tourist activity, take place in the coastal area.

In the present paper an effort is made to determine the degree up to which the Community frames of support have helped the development of the coastal area and the factors that led to the present situation are investigated. Initially, there is a reference in the three CSF and then their effect in the development of coastal area is analyzed. The sectors which were supported and the results in the regions where the aids were applied are recorded.

As it is realised by the research, the CSF improved up to a degree the existing situation in the area that they were applied, even if a great number of problems continue to remain without solution.

### **2 THE COMMUNITY SUPPORT FRAMEWORK**

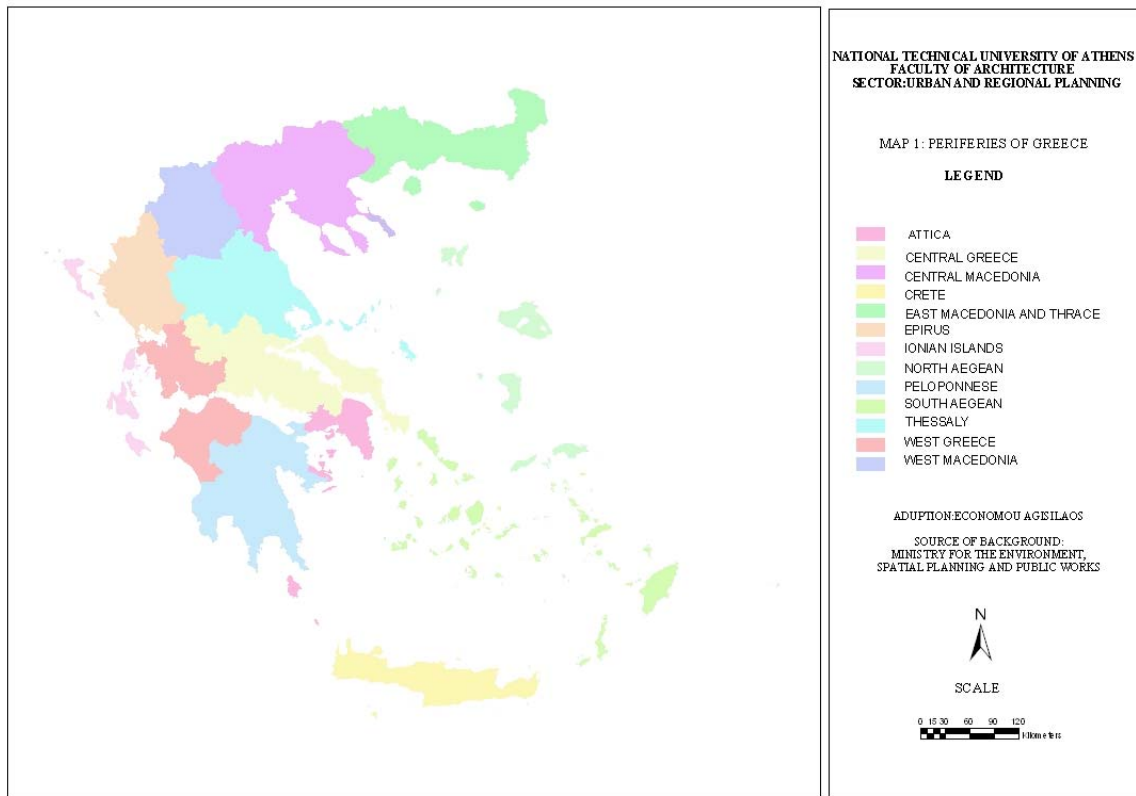
The objective of the policy of the Union for the economic and social cohesion was the restriction of regional inequalities aiming at the convergence of economies of Member states. Generally, this policy encouraged the development of the regions of Greece and consequently the coastal area as well.

The regions of Greece received important surges of resources from the Community from her first time integration (1981).

The actions of the Structural Funds (European Fund of Regional Development (ETPA), European Social Fund (ESF), European Agricultural Fund Department of Orientation (EGTP), Financial Instrument of Orientation of Fishery (FIGG)), in the regions of Greece are:

- The Mediterranean Integrated Programmes (IMP)
- The Community Support Framework 1989 - 1993 (First CSF)
- The Community Support Framework 1994 - 1999 (Second CSF)
- The Community Support Framework 2000 - 2006 (Third CSF)

The Integrated Mediterranean Programme (1986 - 1992) aimed to materialize an effort for the development of the regions via the multiannual operational programs. In Greece 7 IMP's were worked out (Macedonia, Thrace, Western Greece, Peloponnesus, Islands Aegean, Eastern Central Greece, Attica and one of thematic Information technology [1]).



Graph 1: Periferies of Greece

The actions for the development of Regions began with the first Community Support Framework 1989 - 1993 and continued with the Second Community Support Framework Support 1994 - 1999. The third Community Support Framework 2000 – 2006 is in development today.

The actions of reduction of regional inequalities for the period up to 1999 were focused in the development of regions, in the reformation of regions that presented problems of industrial decline, and in the protection of sensitive or with declining population of rural regions [2].

### 2.1 1st Community Support Framework (CSF) 1989 – 1993.

The Community Frame of Support 1989 - 1993 included big and small works of infrastructure, in all Regions of Greece. In the big works are included the Underground of Athens, the roads axis Athens - Thessalonica, Athens - Corinthus, the works of modernisation of railway axis Athens - Thessalonica, the purchase of new “Intercity” trains, etc. In the small works are included the streets, the networks of water supplies and sewerages, the harbours, the airports, the units of biological cleaning, the schools, the hospitals etc.[3]

At the same time with the works of infrastructure, the CSF included actions for the development of the primary sector and rural regions, the improvement of competitiveness of enterprises, the development of human resources and the development of tourism through the framework of Common Rural Policy (CAP) and various programs as the program LEADER

### 2.2 2nd Community Support Framework (CSF) 1994 - 1999

The development of Greece and its regions s continued with the exploitation of resources from the 2nd Frame of Support and the Fund of Cohesion.

The 2nd CSF was used mainly for the constructions of big works of infrastructure, and the interconnection of country with its neighbours. At the same time it supported the productive sector, the improvement of competitiveness, the upgrade of environment and the creation of better conditions of living in the urban centres [4]. In addition to this, investments in infrastructures of transport, telecommunication, energy and development of human potential via the improvement of system of education of professional situation were financed .

The materialisation of the 2nd CFS in Greece took place by means of 13 regional programs (PEP), one program for each region and via another 17 sectoral programs. Consequently other Community Programs that are reported in various sectors such as in the research, the technology, the environment, the education etc were materialised. In these programs Universities, enterprises, various institutions and privates individuals participated resulting in the better comprehension of the European Union and in the exchange of knowledge and know-how. The objective was the development of the country in relation to it's infrastructures, conditions of life, competitiveness and human potential [5,6,7,8,9].

### 2.3 3rd Community Support Framework 2000-2006

The third Community Frame of Support 2000- 2006 was determined in an economic and social environment, where the bases from the previous CSF for the constructions and modernisation of infrastructures, sectors of production, the competitiveness and improvement of human potential had been set. The financing of the third CSF was significantly larger than the two preceding CSFs giving the possibility to construct more and bigger works.

At the same time the improvement of the economic situation of Greece, allowed the country to enter the Euro zone on January 1st 2001.

	MIP (1986-1993)	1st CSF (1989-1993)	2nd CSF (1994-1999)	3rd CSF (2000-2006)
Total Budget	3.212.391 thou. ECU	12.956.054 thou. ECU	29.721.300 thou. ECU	44.751.168 thou. EURO
National public participation	33.1%	42.0%	23.8%	25.8%
Community participation	56.9%	50.3%	47%	50.7%
Private participation	10.0%	7.7%	29.2%	23.4%
Cohesion Fund				
Community participation			3.061.200 thou. ECU	3.320.000 thou. EURO

Table 1: Financing Table of Co – funded development programmes in Greece 1986-2006 [10]

The aim of the third CSF was to contribute in the further convergence of Greece with the European Union. The objectives of the third CSF are related[11]:

to the human potential (Education and initial professional training, Employment and professional training).

to transports (Road axis, Ports, Urban development, Railways, Airports, Urban Transport)

to competitiveness

to rural development- Fishery (Rural development - Reconstruction of countryside, Fishery).

to the improvement of quality of Life of (Environment, Culture, Health and Welfare)

to the Society of Information

to Regional Development (Regional Operational Programs (PEP), Eastern Macedonia and Thrace, Central Macedonia, Western Macedonia, Epirus, Thessaly, Ionian of Islands, Western Greece, Sterea Hellas, Attica, Peloponnese, Northern Aegean, Southern Aegean, and Crete).

#### 2.3.1 The effects of the 3rd CSF in the various sectors of production are:

##### Primary Sector (Agriculture, livestock, forestry, fishing mining, quarrying and slatterns)

The aid of Community Funds for the agriculture development has a direct relation to the development of the coastal area, because a great number of rural extents are found in the coastal area. While, the sector of fishery is very closely connected to the coastal area.

From the Operational Program of Rural Development and reconstruction of Countryside, programs of development of rural area in unfavourable island regions were undertaken. At the same time, the rural exploitations and the veterinary surgeon units of coastal area of Epirus, Peloponnese, and Islands of Aegean. Also were supported, the irrigation networks in the Sterea Hellas, the Epirus and the Thessaly were modernised.

In the sector of Fishery, the coastal space had more benefits. The Operational Program "fishery" contributed to the reformation of the Greek piscatorial fleet, and to the manufacture and improvement of piscatorial harbours and shelters. At the same time, the units of aquaculture were supported and the sectors of transformation and the marketing of piscatorial products were supported. Finally, also professional fishermen were aided by the socio-economic metres that were financed by the program.

With regard to forestry, the exploitation of private forests was supported.

##### Secondary Sector (Manufacturing, electricity, gas, steam, water supply, construction and public works)

The secondary sector plays an important role in the economic development of the regions. The aid of this sector has apparently an effect in the coastal area as well because a number of manufacturing enterprises find themselves in this area.

In the secondary sector, investment plans of manufacturing SME in the entire the Greek coastal area were financed and the manufacturing enterprises in the frames of Developmental Law in the northern Aegean were supported. Also, the infrastructures in Industrial Park (BIOPA)(Western Greece) were improved and research was supported

### Tertiary Sector (Trade, restaurants, hotels, Transport, storage, communications, banking, insurance, personal affairs, other services)

The tertiary sector constitutes the most important activity of the coastal area because of the intense tourist activity that appeared in Greece over the last 20 years. Consequently, the development of the tertiary sector is also accompanied by the development of the coastal area.

From the Operational Program "Competitiveness", the coastal area benefited via the subsidy for qualitative modernisation of hotel units, rented rooms, apartments and camping facilities. (Thessaly, Peloponnese, Ionian, Epirus, Northern and Southern Aegean.)

### Transports

With the 3rd CSF the big works that began with the 2nd CSF are completed. Thus, the parts of PATHE (Patra - Athens - Thessaloniki Evzoni highway), the Egnatia of Road, the interconnections with the central airports and ports, and the Junction Rio – Antirio are all completed. All these contribute in the connection of the coastal area of the regions, with the mainland, the countries Central and Eastern Europe, the Balkan countries. Apart from the hyper-national works of transport, road departments, national road construction, urban roads, rural and provincial road construction are manufactured and upgraded. At the same time, the railway network, connecting the coastal area with the mainland and the transeuropean figurative network is upgraded. Also, six harbours of country are upgraded and developed, while the airports of Thessalonica "Macedonia and Heraklion in Crete are modernized and developed as well.

### Telecommunications

Telecommunications of SME in the Sterea Hellas, the Southern Aegean and in Ionian are supported.

### Remaining Services

An important role in the development of a country is played by the the existing infrastructures of Health, Social Care and Education. Thus, the development of this infrastructures via the Community Frames of Support is also examined.

### Health – Social Care

In the sector of Health and Social Care from the Operational Program interventions take place for the upgrade of infrastructures in health, Social Care and social concern. In the coastal area urban Health Centers, new Hospitals are built and programs of supply and upgrade of equipment of existing units are realized.

### Education

In the sector of Education by the 3rd CSF new schools were constructed and training programs for the upgrade of professional qualifications and dexterities were realized.

### Protection of environment

The coastal space includes appreciable ecosystems, which need protection. On the other hand, the maintenance of natural resources constitutes an essential condition for the development of the region. To this direction, from the Regional Operational Programmes (EPPEP) works for the protection of environment concerning the management the humid and solid waste with installations of treatment of sewages, the improvement of system of water supply, the re-establishments of the polluted spaces from dangerous outcast and the tips have been financed [12].

Land-planning and urban studies in organisms of local self-government and reformations aiming at the sustainable development were realized. Also, institutions of management for the protected regions were created, some of which are also found in the coastal space.

Particular importance was given in facing marine pollution with the purchase of 4 anti-pollution boats and in the creation of quality of marine environment follow-up networks.

### Culture

The coastal space allocates appreciable monuments of the Classic and Byzantine season and appreciable archaeological sites. Thus, the support of the sector of culture has an indirect positive effect in the development of coastal space. The aid of the 3rd CSF via the operational program "Culture" concerns the upgrade, the exposure and the protection of Museums and archaeological sites.

### Improvement of quality of life

As was reported above the aid of urban infrastructures of the coastal space, and the increase of employment had as a result the specialisation of human potential and the improvement of the quality of life. The various meters aim at as the inversion of both the demographic shrinkage and the marginalisation of islands.

In the 3rd CSF the growth and the protection of small islands, the upgrade and the protection of semi-urban environment, the creation of dynamic islander centers, the aid of their role and the cover the social and economic needs of their individual settlements are promoted.

### Repercussions

The application of the CSFs had undeniably positive repercussions in Greece and in its regions and therefore in the coastal space, since 12 out of 13 regions present an extensive coastal area. The first CSF supported the coastal area to a small degree since its main contribution was in the development of country via the manufacture of big works. Also, the support of the secondary sector did not

have the expected repercussions in the competitiveness and did not decrease bureaucracy for the candidates investors. But, the first CSF contributed to the acquisition of experience in the sectors of administration, management and evaluation of work, so that it influences considerably the configuration of the organizational framework for administration of the works of the 2nd CSF [12].

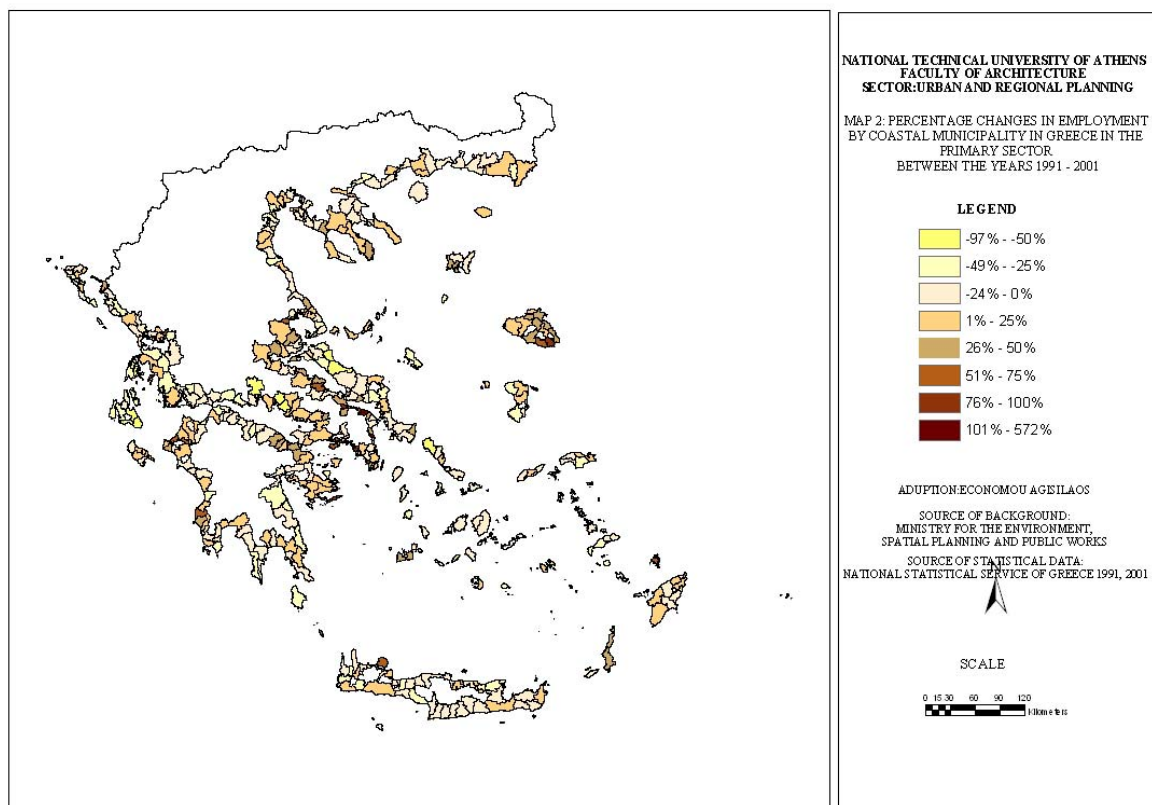
The coastal space was supported more with the 2nd and 3rd CSF mainly in the sector of infrastructures, a thing that constitutes an important factor for the economic growth of the region. In the 2nd CSF were presented problems of absorption of available credits with result the deferral of credits in the works with increased rates of absorpency contrary to the 1st CSF that was followed with an absorption rate of 93% with the application of regional programs [13].

As it was reported above, the Community Frames of Support had an important effect in the sectors of production, as it was made clear by research on the employment in the coastal Municipalities of Greece. During the period of time between 1991 - 2001 a small reduction in the employment in the primary, contrary to tertiary, which presented an increase of 37.68 % in unemployment. We can conclude that the coastal space benefited more in its tertiary sector of production because it presents an intense tourist growth during of last decades.

Sector of production	Employment by sector	Employment by sector	Ghange in employment in the coastal area of Greece, by sector (%)
Year	1991	2001	1991-2001
Primary Sector	298385	289721	-2,90
Secondary sector	347926	388693	11.72
Tertiary Sector	798501	1099357	37.68
New	193467	214009	10,62
Total	1638279	1991780	121.58

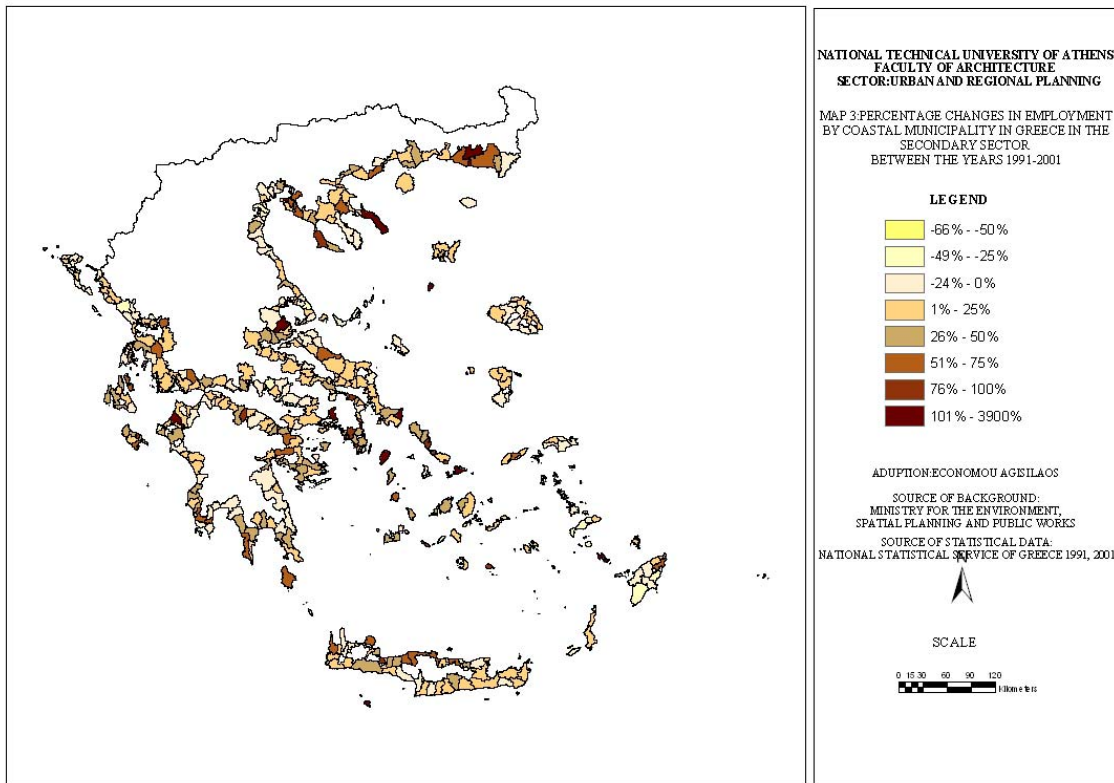
Table 2: Changes in the employment rates in each sector individually in the coastal area of Greece between 1991- 2001.

From the above table we realize that in the coastal space prevails the tertiary sector. The coastal regions that show this changes are presented into following maps 2,3 and 4.

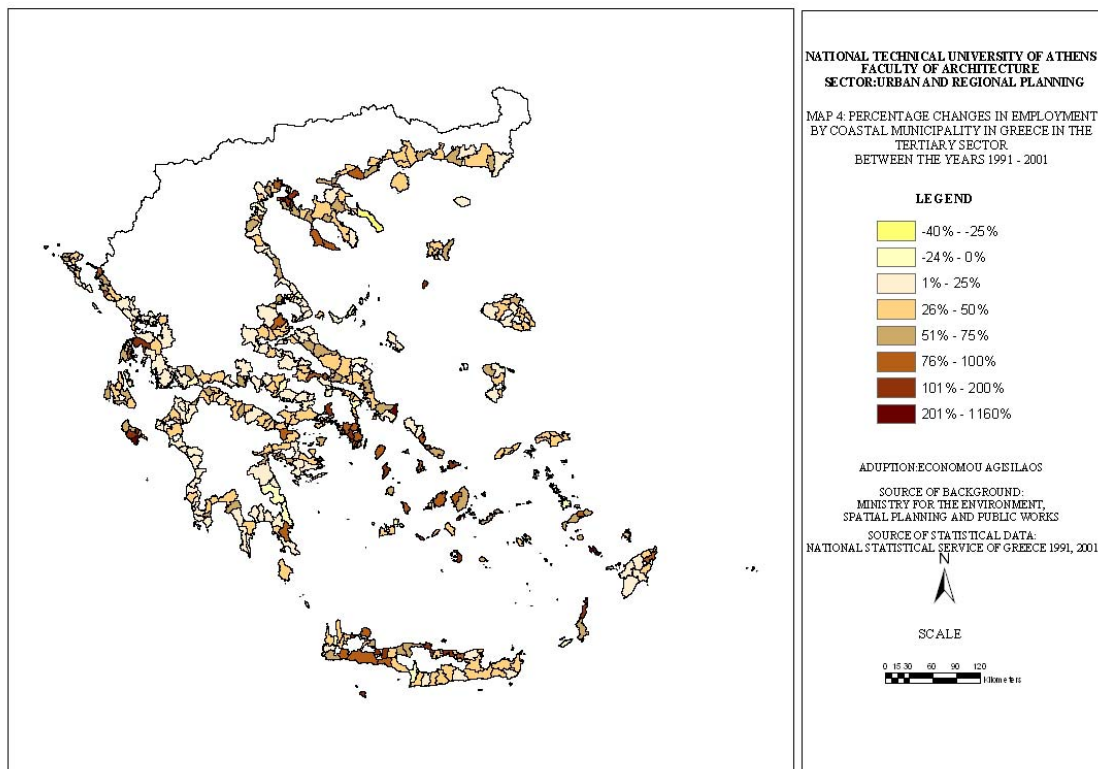


Graph 2: Percentage changes in employment by coastal municipality in Greece, in the primary sector between the years 1991-2001.





Graph 3: Percentage changes in employment by coastal municipality in Greece, in the secondary sector between the years 1991-2001



Graph 4: Percentage changes in employment by coastal municipality in Greece, in the tertiary sector between the years 1991-2001.

According to the report of the Greek Ministry of Economics in the beginning of the Third CSF the Greek economy in spite of the macroeconomic stability, the privatisations and the decline of regional inequalities, demonstrates important lacks in infrastructures (in the sectors of transports, urban regions and environment), high rate of unemployment, low rate of employment of women, low productivity, high percentage of people occupied in the agricultural sector and a delayed in its development telecommunications sector .

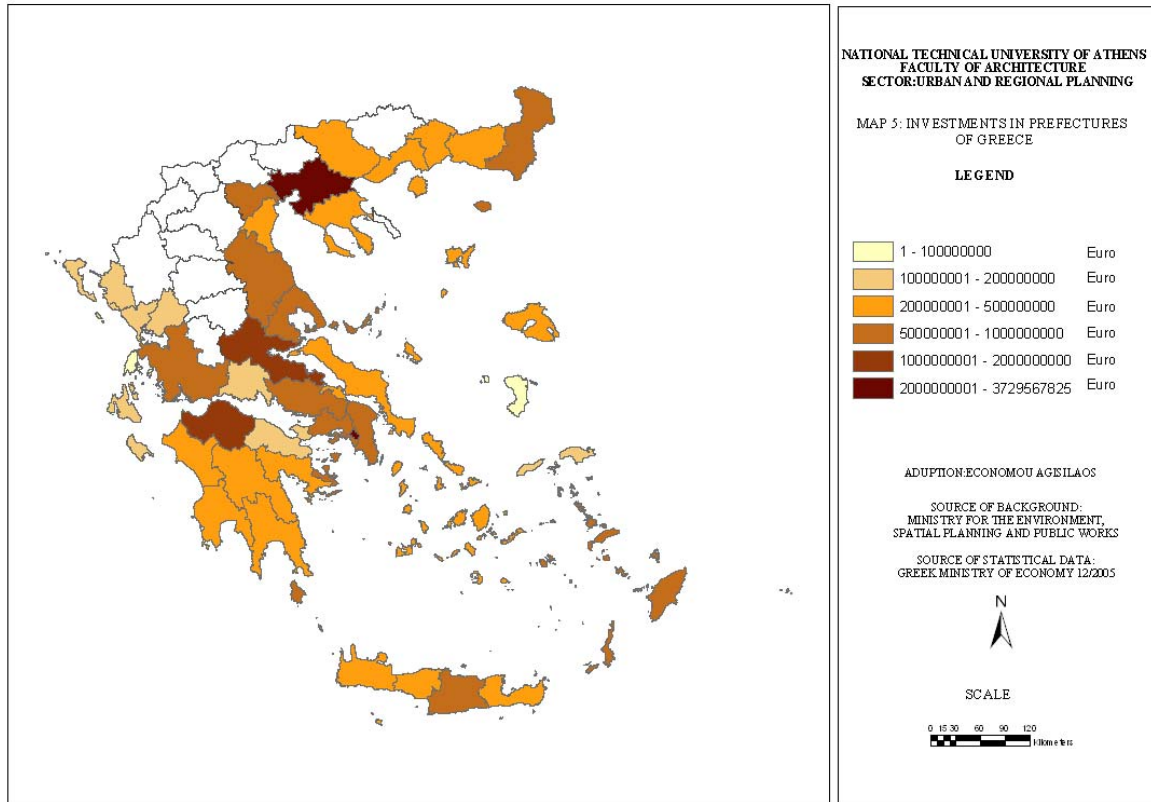
For the measurement of economic prosperity the indicator of Crude Domestic Product (GNP) that constitutes and one from the meters for the determination of aims of developmental policy is used [14].

According to the elements of economic service an increase of GNP was observed at the duration of the applications of the Community Frames of Support, a thing that means that the economic prosperity of coastal regions of country increased, since it constitutes integral piece of remainder Greece.

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Real GDP growth (Annual % change)	2.1	2.4	3.6	3.4	3.4	4.5	4.6	3.8	4.6	4.7
GDP per capita PPS (EU25=100)	71.7	71.1	71.7	71.4	71.4	71.9	73	77.5	80.8	81.7
Employment Growth Annual % change	0.9	-0.5	-2.2	7.5	0.1	0.3	-0.3	0.1	1.4	3.1
Unemployment % of labour force	9.2	9.6	9.8	10.9	12	11.3	10.8	10.3	9.7	10.5

Table 3: Macroeconomic indicators of Greece (1995-2003) [15].

From the research it was clarified that the investments in the coastal municipalities are parts of the total investments provided for the corresponding municipalities. The investments in the prefectures that include coastal regions are presented in map 5 The prefectures that accumulated the largest portions of the economic aid, are Thessaloniki, Attica, Achea and Fthiotida, contrary to the islands, Lefkada and Chios that were less generously funded.



Graph 5: Investments in prefectures of Greece that includes coastal areas.

### 3 CONCLUSIONS

The surge of Community structural resources in Greece up until now helped in the development of Greece via the various works, actions and subsidies in all the sectors and had as a result in some degree the development of regions. The Community incomes were distributed in all the regions and the coastal area as integral part of these, profited from the various works that have taken place.

The coastal area benefited by the creation of small works via the first CSF and the IMP. Moreover, it benefited by the second CSF, provided that the productive sectors were supported more. However, the greatest benefits came from the third CSF since the works that began in the second CSF were completed.

The actions of the CSFs, as we analyzed, was sectoral and fragmentary, and contributed to the improvement of the existing situation in the areas where they were applied. Nevertheless, the works are inadequate to resolve the problems of the coastal area, because these are big in extent and are caused by the intensity of human activities. For example, the protection of water resources of the

coastal area requires the connection of all coastal settlements with units of biological cleaning, and their service from areas of Sanitary Burial of Litter. The cost to achieve this is very big and was impossible to be covered from the three CSF.

Nevertheless, important results had the improvement of transports, and the connection of the coastal area with the big works (PATHE, Egnatia, Ionian road), and the urban centres, contributing in the tourism development and at the same time in lifting its isolation. While, the works for the protection of the cultural heritage have contributed in the support of tourist development and the protection of environment.

As it was underlined above, the CSF they can cover all the sectors. The coastal area was helped mainly by the sectors which have a direct relation as the tourism, the Fishery, the sea transports. However their action, as it appeared in the Island area, was limited. Emphasis was given mainly in the second and third CSF, in the big works of National importance and not in the small works. Also, because of the particularity of coastal area, in the islands, the development of big works is not encouraged. An important number of islands present problems in their development, in the improvement of quality of life of their residents. This happens in many cases because of the degradation of natural resources due to the overexploitation by tourism, the decline of the agricultural sector and the lack of infrastructures and services.

After research of statistical data, it is observed that the employment in the hotels and the restaurants increased in the coastal area during the last 20 years

Generally, the CSFs showed the lack of infrastructures in the Greek area and the need for application of suitable policy. Even though these CSF motives for development in the most Kapodistrial Municipalities were given suitable investments that would constitute a source of income for the future did not take place, resulting in most Municipalities to present economical problems, a factor that affects negatively their further development.

The particularity of the coastal area of Greece, the big length of its coasts, the sensitive natural environment, the intense conflicts of land uses (tourism, agriculture, and arbitrary layout) require more money and more actions in order to achieve better coastal zone management.

The Community incomes by themselves cannot resolve the problems. Good management of economic resources is required. Depending on the policy that will be applied and the priorities that will be set, the corresponding results are expected.

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