

PART THREE

PRIORITIES



C-1 Greek Plan for the Economic Reconstruction of the Balkans (ESOAB)

C-1.1 Introduction

In March 2002, Law 2996/2002 on ESOAB (Greek Plan for the Economic Reconstruction of the Balkans) was passed by the Greek Parliament, with a total budget of 550 MEURO and duration of five years (2002-2006). ESOAB is addressed to seven Balkan countries:

- Albania (49.89 MEURO),
- Bosnia-Herzegovina (19.53 MEURO),
- Bulgaria (54.29 MEURO),
- Montenegro (17.5 MEURO),
- FYROM (74.84 MEURO),
- Romania (70.43 MEURO) and
- Serbia (232.5 MEURO – of which 15 MEURO for Kosovo)¹.

Development assistance provided by the ESOAB covers three sectors:

- Public Investments/Large-scale Projects - 79% (i.e. 421.8 MEURO),
- Private Productive Investments - 20% (i.e. 106.7 MEURO, based on the Development Law 2601/1998) and
- Small Projects - 1% (i.e. 5.3 MEURO, based on proposals submitted through Greek Embassies).

Incorporation of development assistance provided to the Balkan countries in a single plan, is possible through the ESOAB, a fact that allows Greece to form an integrated development policy for the region. The ESOAB seeks to bring about political, economic and social stability in South-Eastern Europe. This framework covers all goals of the Plan, namely, enhancement of democratic institutions and the rule of law, modernization of infrastructures, promotion of productive investments, training of human resources, as well as support of the European orientation of these recipient countries.

Considering the critical nature of the aforesaid goals and the usefulness of the ESOAB for economic diplomacy and in general for Greek foreign policy, coordinated efforts were undertaken, in order to overcome institutional, political, economic and technical weaknesses that emerged during the previous period and resulted in minor progress of the Plan until 2004, (in April 2004 total commitments had reached 6.8% of the ESOAB budget, whereas they did not exceed 1.3% as regards public investments). Today, total disbursements and

¹ In a recent Meeting, the Greek Parliament (Session C, Meeting LXVII (67), 30-1-2007, Law 3530/2007, FEK 36/A/23-2-2007) determined by law, a ten-year implementation period for the Greek Plan for the Economic Reconstruction of the Balkans-ESOAB (2002-2011). Since the initial five-year implementation period of the ESOAB (2002-2006) proved to be insufficient for the absorbance of flows and utilization of available resources, the new regulatory process will achieve a more effective and proper absorbance of the program by the beneficiary countries.

reserves (approvals/commitments) for ESOAB projects amount to 206.09 MEURO, corresponding to 37.07% of total budget.

C-1.2 Public Investments / Large-scale Projects

By the end of 2006 the following projects had been selected per country for implementation via the ESOAB:

▪ Albania

Road Axis, Sagiada-Konispoli-Sarande:

Upgrading of the road axis will mainly serve regions in South Albania. Its total length is 40.5 kilometers, its budget amounts to 37.6 MEURO, while the Greek share-contribution will reach 30 MEURO. The project has been evaluated and approved, whereas the invitation for tender is being prepared (with the assistance of "Egnatia Odos S.A."). Auctioning is expected to be completed, in order for implementation to begin by autumn 2007.

▪ Bosnia & Herzegovina

Greek-Bosnian Friendship Building (Sarajevo)

The project will be delivered in July 2007, in order to accommodate the government of Bosnia & Herzegovina. A Greek-Bosnian joint venture was nominated contractor, while a Greek company administers the project.

ESOAB financial contribution in the total budget of the project was determined at 13,497,073 EURO (80.39%), whereas the Bosnian contribution will cover the difference (19.61%), amounting to 3,292,916 EURO.



This 20-floor building in the center of Sarajevo is going to accommodate the government of Bosnia & Herzegovina and the offices of the Regional Co-operation Council, the new Organization of South-Eastern Europe.

In addition to the above mentioned proposal, the Bosnian side submitted another one. for the reconstruction of a ward of the Kasindo Hospital ("Serbia" Pavillion) in Eastern Sarajevo, having a total budget of 2.4 MEURO, with the ESOAB financial contribution amounting to 1,920,000 EURO (80%). Precondition for approval of this project will be the successful implementation of the reconstruction–rehabilitation of the Greek-Bosnian Friendship Building.

▪ Bulgaria

The projects that have been approved by the 12th Monitoring Committee of the ESOAB (11/2006) are the following:

- Establishment and equipping of a surgical unit of the Regional Hospital in the city of Kyrtzali (total cost 918,420 EURO).
- Provision of medical equipment for the Regional Hospital for treatment of neoplastic-oncological diseases in the city of Vratsa (total cost 175,000 EURO).
- Establishment of a Regional Clinic for the treatment of neoplastic-oncological diseases in the city of Smolyan (total cost 1,425,884 EURO).
- High speed fibre-optic network / university communities link "SeeLight Program" (total cost 6,028,451 EURO).

The total financial contribution of the ESOAB to the abovementioned projects amounts to 6,855,703 EURO (80.2%).

▪ Montenegro

A request has been submitted through the National Coordinator for financing the upgrading of the neoplastic-oncological department of the Montenegro Clinical Center – Pontgoritsa Hospital (refurbishment, complementary works and equipping of the short treatment department of the neoplastic-oncological Clinic). The project's total budget amounts 1.3 MEURO, while the requested ESOAB contribution amounts to 1.04 MEURO (80%). This project was already pre-assessed by the Technical Consultant of the Ministry of Foreign Affairs and a decision of the ESOAB Monitoring Committee is expected, in order to proceed to the complete techno-financial assessment.

▪ FYROM

The project that is under consideration to be co-financed by the ESOAB concerns the reconstruction/upgrading to a motorway, of Corridor X and in particular of the Demir Kapija – Udovo - Smokvica – Gevgelija part, expanding to 33.2 kilometers.

The project is estimated to cost about 145 MEURO with the Greek contribution amounting to 50 MEURO. Due to the project's high cost, its co-financing by international financing organizations (EIB, EBRD), as well as by the E.U (IPA) is under consideration. It is pointed out that the amount of 10,00 MEURO has been approved from the PDE (Public Investments Program) 2007, for the Trans-European Corridor X.

Besides, the 12th ESOAB Committee has already approved the SeeLight project in FYROM, which is estimated to cost approximately 2 MEURO, with the ESOAB contribution amounting to 1.6 MEURO (80%).

▪ Romania

To date, four proposals have been examined amounting to 23.4 MEURO. Requested ESOAB participation 70.3% (16.4 MEURO). The projects approved by the 12th ESOAB Monitoring Committee (11/2006) are the following:

1. **Refurbishment/modernization** of the **Kostanja National Archeological Museum**. Estimated cost: 2,500,000 EURO, ESOAB participation (80%): 2,000,000 EURO.
2. **SeeLight Program**: Total budget approximately 5.7 MEURO and ESOAB participation 80% (approximately 4.56 MEURO).

The following projects were pre-assessed by the Technical Consultant of the Ministry of Foreign Affairs. The decision of the ESOAB Monitoring Committee is expected, in order to proceed to their full assessment.

1. Proposal for the reconstruction of the **Regional Medical Transit Center in Targu Mures**. The project's estimated total cost amounts to 10,718,134 EURO, of which the requested contribution of the ESOAB amounts to 6,966,787 EURO (65%) and the Romanian contribution to 3,751,434 EURO (35%). Following a request by the Greek side, the Romanian contribution will cover 35% of total cost, thus decreasing respectively the ESOAB contribution.

2. Proposal for the **St. Maria Emergency Childrens Hospital in Iasio**, with a budget of 4.4 MEURO, of which the ESOAB contribution is 2.9 MEURO (65%) and 1.5 MEURO the respective Romanian contribution.

In addition to the aforesaid proposals, another one has been submitted, namely for the refurbishment of the Church of "Evangelismos tis Theotokou" Vrailas, having a total cost of 2,992,695.45 EURO with 2,306,695.45 EURO (77%) ESOAB contribution and 686,000 EURO (23%) Romanian participation. This Orthodox Church dates since 1872 and is considered as one of the most important Greek-orthodox monuments of Romania. It is noted that part of the Romanian contribution comes from private capital (Grigoriadis Foundation).

At the same time, great interest has been manifested by the Bucharest Embassy, for financing via the ESOAB of the rehabilitation project for the village of Izvoarele (total estimated cost of 3,100,000 EURO). Due to the spacial nature of the project, the Ministry of Foreign Affairs has proposed exceptional approval of the Izvoarele project in the 100% financing limit of the ESOAB.

▪ **Serbia**

Trans-European Corridor X:

The most important among the proposals submitted by Serbia, is the **project for the construction of parts of the Trans-European Corridor X**, which crosses over the country in question. The total length of Corridor X on Serbian territory is 74.6 kilometers and extends between the city of Nice and the borders with FYROM.

The project's total cost amounts to 475.1 MEURO, of which 100 MEURO (21%) is the ESOAB contribution and 375.1 MEURO (79%) the Serbian contribution. The project has been already approved by the 12th ESOAB Monitoring Committee and auctioning procedures will follow.

The **SeeLight** Program is another project that has been approved for Serbia, with a total cost of approximately 6.1 MEURO and ESOAB contribution 4.9 MEURO (80%). The amount of 2 MEURO in the PDE 2007 has already been approved for this project.

C-1.3 Private Productive Investments

Private Productive Investments represent 20% (i.e. 106,796,000 EURO) of the ESOAB total budget. According to standing legislation (Law 2996/2002 FEK 62/A/28-3-2002 and FEK 1140/B/23-8-2006/, YA No. 32913 / Article 3), the General Secretariat for Investments and Development, of the Ministry of Economy and Finance (YPOIO/ Directorate for Private Investments Approval and Auditing) is competent for the private investments. However, the private productive investments should, within the ESOAB framework, be approved as long as they serve the goals and the priorities of the bilateral economic co-operation program, which

has been signed by the Minister of Foreign Affairs of the Hellenic Republic and the representative of the Government of the beneficiary country.

The YPOIO keeps detailed files with all up-to-date approved investments per country, which include, inter alia, details on created new jobs, capital assets, amounts of subsidies etc., whereas the competent Directorate B2 of the Ministry of Foreign Affairs keeps in its records relative information files. The submitted applications are assessed by the YPOIO Authorities and are subsequently submitted to the competent Central Advisory Committee (CAC) of the said Ministry for approval. Representatives of the competent Directorate B2, also participate in the CAC, having voting rights. The CAC approves the total investment cost, as well as the amount of the subsidy (30% of the total investment budget).

Before disbursement of the subsidy, a special team from YPOIO conducts a field trip examination, in order to confirm completion of the investment and initiation of operations. At the same time, it proceeds to the finalization of the cost, as well as to the determination of the final amount of the subsidy. This information is submitted for consideration and approval by the CAC. Often, both the cost and the final amount of the subsidy, deviate from the initially approved amounts.

Subsidies to private productive investments may cover up to 30% of investments' total budgets. The minimum and the maximum amounts of the subsidised investments, are defined as follows:

- between 800,000 EURO and 5,000,000 EURO for investments in the processing sector, but only for the establishment of production units (buyout of companies, through privatizations, is included)
- between 300,000 EURO and 1,500,000 EURO for investments in agricultural enterprises of a green-house type, in animal breeding enterprises of a (semi-)stalled type and in modern technology fishing enterprises (aquacultures).

It is noted that the total amount of the productive investment, may exceed the aforesaid determined case-by-case amounts, yet no subsidy is provided beyond the maximum levels of investments determined.

The available amount of subsidies for private productive investments in all recipient countries of the ESOAB, amounts to a total of 106,796,000 EURO, corresponding to 20% of the total budget for each beneficiary country of the ESOAB.

The amount of subsidies that the competent CAC has approved to date, has reached **40,712,235.50 EURO**. Thus, the absorption rate for all countries reaches **38.12%**.

To date, Albania has absorbed 92.82% and Bulgaria the whole of the available resources (107.64%). Romania follows with 86.58%, FYROM with 19.12% and Serbia with 10.12%, whereas to date, no such investment has been implemented in Bosnia & Herzegovina, Montenegro and Kosovo. Some 57 investments in total have been approved, from which 3.911 new job posts were created.

The sectors financed through the ESOAB include, inter alia, the following: structural materials and metals, food and beverages, clothing and footwear, furniture, fish farming and animal feeding units, chemicals and electrical equipment.

▪ **Albania:**

The ESOAB anticipates for Albania a total of 49,890,000.00 EURO, in 2002 rates, of which 20% (**9,978,000.00 EURO**) for private productive investments. Thirteen (**13**) applications for the provision of subsidies to private productive investments have been approved to date by

the CAC of the YPOIO, of which ten (**10**) have already been completed. The total sum of the budgets of the 13 investments in question amounts to **30,599,035.00 EURO**.

Subsidies to private productive investments in Albania, in the framework of the ESOAB, present the following picture:

- Establishment of a brick and tiles producing unit in Korce,
- Establishment of a wood products manufacturing and trading unit in Gjirokaster,
- Establishment of a pre-prepared cattle feed producing unit in Fier- Gjirokaster,
- Establishment of an aluminium profile producing unit in Tirana,
- Establishment of a pig breeding unit in Dermisi – Sarande (K.A SH.P.K),
- Establishment of a dairy production unit in Gjirokaster,
- Establishment of a water bottling and juice production unit in Gjirokaster,
- Establishment of a wheat mill ATLAS SH.A. in YRSHEK-Tirana,
- Establishment of a meat products unit, region of Disnita (Prefecture of Korce),
- Establishment of a fish farming unit in Drale-Drimades-Himare,
- Establishment of a production unit of pipe packaging made of plastic in Georgutsati-Gjirokaster,
- Establishment of a production unit of lime paste, paints, traditional fences, etc. in the region of Thermokipion of the Prefecture of Durres,
- Establishment of a furniture (childrens rooms, kitchen, etc.) production and paper processing unit in the region of Tirana.

The subsidy rate is normally 30% of the total budget of each investment. By approving of the above mentioned applications, the total amount of subsidies to private productive investments rose to **9,261,843.00 EURO**. Thus, the absorption rate of the available amount for subsidising private productive investments in Albania, in the framework of the ESOAB, reaches **92.82%**, with the balance available for subsidising private productive investments amounting to **716,157.00 EURO**. Some **462** jobs were created from the implementation of the above mentioned investments.

▪ **Bosnia & Herzegovina:**

The ESOAB anticipates for Bosnia & Herzegovina a total of 19,530,000.00 EURO, in 2002 rates, of which 20% (**3,906,000.00 EURO**) for private productive investments. To date, the CAC of the YPOIO has not approved any application for the provision of subsidies to private productive investments. Therefore, the absorption rate of the available amount for subsidising private productive investments in Bosnia & Herzegovina, in the framework of the ESOAB, is **0%**, with the balance available for subsidising private productive investments amounting to **3,906,000.00 EURO**.

▪ **Bulgaria:**

The ESOAB anticipates for Bulgaria a total of 54,290,000.00 EURO, in 2002 rates, of which 20% (**10,858,000.00 EURO**) for private productive investments. Fourteen (**14**) applications for the provision of subsidies to private productive investments have been approved to date by the CAC of the YPOIO, of which seven (**7**) have already been completed. The total sum of the budgets of the 14 investments in question amounts to **38,982,112.00 EURO**. By approving of the above mentioned applications, the total amount of subsidies to private productive investments rose to **11,687,133.00 EURO**, thus exceeding the initially anticipated amount. Therefore, the absorption rate of the available amount for subsidising private productive investments in Bulgaria, in the framework of the ESOAB, reaches 107.63%, with the balance available for subsidising private productive investments amounting to 0%. Some **1.582** jobs (334 seasonal) were created from the implementation of the above mentioned investments.

Subsidies to private productive investments in Bulgaria, in the framework of the ESOAB, present the following picture:

- Establishment of a chocolate producing unit in Cosinbrond, Sofia
- Establishment of a croissant producing unit in Pantzarevo, Sofia
- Establishment of a ready to wear clothing (prêt-a-porter) producing unit at the town of Razlog, Blagoevgrand
- Establishment of a recycling and processing old metals (scrap) unit in the Municipality of Pernic, Sofia
- Establishment of a leaf tobacco processing unit in the city of Haskovo,
- Establishment of a production and trade unit of plastic packaging bins in the region of Gara Iskar in Sofia,
- Establishment of a production unit of limestone productions in Mezdra,
- Establishment of a cosmetics, detergents and sponges production unit in Filippupoli,
- Establishment of a new unit of aluminum casting in the region Ilientsi in Sofia,
- Establishment of a production unit of leather sitting room furniture in Pazartzik,
- Establishment of a production unit of photovoltaic frames in Sofia,
- Establishment of a clothes production unit in Filippupoli,
- Establishment of a unit of clothes sewing, regions of Santanski and Ablanitsa,
- Establishment of a production unit of plastic packaging products for food, ice-creams and cheese in Filippupoli.

▪ Montenegro:

The ESOAB anticipates for Montenegro a total of 17,500,000.00 EURO, in 2002 rates, of which 20% (**3,500,000.00 EURO**) for private productive investments. To date, no application has been submitted to the CAC of the YPOIO. Therefore, the absorption rate of the available amount for subsidising private productive investments in Montenegro, in the framework of the ESOAB, is **0%**, with the balance available for subsidising private productive investments amounting to **3,500,000.00 EURO**.

▪ FYROM:

The ESOAB anticipates for FYROM a total of 74,840,000.00 EURO, in 2002 rates, of which 20% (**14,968,000.00 EURO**) for private productive investments. Six (**6**) applications for the provision of subsidies to private productive investments have been approved to date, of which four (**4**) have already been completed. The total sum of the budgets of the 6 investments in question amounts to **9,605,995.00 EURO**. By approving of the above mentioned applications, the total amount of subsidies to private productive investments rose to **2,861,564.00 EURO**. Therefore, the absorption rate of the available amount for subsidising private productive investments in FYROM, in the framework of the ESOAB, reaches just **19.11%**, with the balance available for subsidising private productive investments amounting to **12,106,436.00 EURO**. Some **660** jobs were created from the implementation of the above mentioned investments.

Subsidies to private productive investments in FYROM, in the framework of the ESOAB, present the following picture:

- Establishment of an electrical material production unit in Gevgelija,
- Establishment of a carbon dioxide production unit in Bitola,
- Establishment of a clothes sewing unit,
- Establishment of a production unit of finished (prêt-a-porter) clothes in Bitola,
- Establishment of a furniture and furniture parts production unit in Strumica,
- Establishment of a production unit of finished (prêt-a-porter) women clothes in Bitola

▪ Romania:

The ESOAB anticipates for Romania a total of 70,430,000.00 EURO, in 2002 rates, of which 20% (**14,086,000.00 EURO**) for private productive investments. Nineteen (**19**) applications for the provision of subsidies to private productive investments have been approved to date, of which seven (7) have already been completed. The total sum of the budgets of the 19 investments in question amounts to **43,832,053.00 EURO**. By approving of the above mentioned applications, the total amount of subsidies to private productive investments rose to **12,195,408.50 EURO**. Therefore, the absorption rate of the available amount for subsidising private productive investments in Romania, in the framework of the ESOAB, reaches **86.57%**, with the balance available for subsidising private productive investments amounting to **1,890,591.50 EURO**. Some **944** jobs were created from the implementation of the above mentioned investments.

Subsidies to private productive investments in Romania, in the framework of the ESOAB, present the following picture:

- Establishment of a plastic packaging bins production unit, in the Province of Sibiu,
- Establishment of an automatic sand-blasting, rust preventive paint and cutting of steel products production unit, in Bucharest,
- Establishment of a croissant production unit in the Community of Popesti Leordeni, Bucharest District, Prefecture of Ilfov,
- Establishment of a production unit of electrostatic paint of aluminium profile, in the Industrial Area of Bucharest, Community of Jilava,
- Establishment of a new autonomous wood processing line in an existing unit in the Municipality of Odorheiu Secuiesc, Prefecture of Harghita,
- Establishment of a Monomasters production unit, for the production of Monobatches in an existing enterprise in the Industrial Area of Semanatoarea of Bucharest,
- Establishment of a dried fruits and honey production unit in Braila,
- Establishment of a production unit of knitted underwear and sleeping suits, in the location Rosiori de Vede, in the Prefecture of Teleorman,
- Establishment of a production unit of products for structural use with processing of hard wood and production of products in the Municipality of Tragoviste, Prefecture of Dambovita,
- Establishment of a unit of steel elements processing for metal constructions in the location Branetsi, Bucharest,
- Construction of premises and purchase of equipment for a production unit of paints – printing inks, in the Municipality of Magurele, Prefecture of Ilfov,
- Establishment of a production plant of finished (prêt-a-porter) clothes in Bucharest,
- Establishment of a donuts production unit in Bucharest,
- Establishment of a production unit of gofers and other food articles in Bucharest,
- Establishment of a complementary unit, for supply and installation of a four-storey module of chicken breeding house in Urziceni, Prefecture of Ialomita,
- Establishment of a production unit of metal cord grids and metal parapets, in the city of Vraila, Romania,
- Establishment of a unit, which will produce specialized fodder articles, in the Municipality of Ploiesti, Prefecture of Prahova,
- Establishment of a production unit of church articles & bells, in the Community of Afumati, Prefecture of Ilfov,
- Establishment of a new unit of plastic packaging articles in Bucharest.

▪ Serbia:

The ESOAB anticipates for Serbia a total of 232,500,000.00 EURO, in 2002 rates, of which 20% (**46,500,000.00 EURO**) for private productive investments.

Five (5) applications for the provision of subsidies to private productive investments have been approved to date by the CAC of the YPOIO, of which three (3) have already been completed. The total sum of the budgets of the 5 investments in question amounts to **15,632,300.00 EURO**. By approving of the above mentioned applications, the total amount of subsidies to private productive investments rose to **4,706,287.00 EURO**. Therefore, the absorption rate of the available amount for subsidising private productive investments in Serbia, in the framework of the ESOAB, reaches just **10.12%**, with the balance available for subsidising private productive investments amounting to **41,793,713.00 EURO**. Some **263** jobs were created from the implementation of the above mentioned investments.

Subsidies to private productive investments in Serbia, in the framework of the ESOAB, present the following picture:

- Establishment of a production unit of electrostatic paint of aluminium profile, in Belgrade,
- Establishment of a production unit of aluminium profile, in Belgrade,
- Establishment of a footwear production unit, in the city of Vrania,
- Establishment of a construction unit of lighting equipment, lighting bulbs, production of advertising boards, shelvings and labels, in Baitaniski of the Municipality of Zemun, Belgrade,
- Establishment of a production unit of PVA emulsions, various types of glue and jellies, in the city of Tsatsak, Serbia.

C-1.4 Small Projects Fund – TME

The Small Projects Fund provides support to small technical projects, of an emergency nature having a direct effect on the local community. The cost of each project must not exceed 50,000 EURO.

Proposals for small projects are submitted to the Embassy of Greece that is located in the recipient country. These are forwarded, with a positive or negative assessment, to the Central Service of the Ministry of Foreign Affairs, in order for the relevant decision to be taken. These decisions constitute the necessary precondition for the implementation of the specific projects.

To date some 37% of the total budget for small projects has been approved and committed. These are mostly small structural projects (roads in villages, sewerage networks and irrigation networks, small sight improvement projects, laboratory equipment for Universities and Schools, mobile first aid units, ambulances, medical equipment, etc.)

Analytically:

- In **Albania** the approved amount for financing of small projects reaches to 344,495 EURO and is anticipated for implementation of projects such as, pavements' and roads' repairs, bridges' support, as well as installation of TV antennas and transmitter masts.
- In **Bosnia & Herzegovina** the approved amount reaches 124,615 EURO and is anticipated for implementation of projects such as, electrification, supply of ambulances, of electronic equipment for the Constitutional Court and the Foreign Investment Promotion Organization, as well as for laboratory equipment for schools.

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- In **Bulgaria** the approved amount for small projects reaches 203,000 EURO. These projects include, repairs and technical works at the building of the University of Sofia and the Foundation for Children and Young people with Special Needs, in Vintrare-Sofia.
 - In **Montenegro**, the approved amount is 77,860 EURO and refers to, supply of computers to Schools, erection of a monument for hero Vassos Mavrovouniotis, supply of an ambulance and training in foreign languages.
 - In **FYROM** the approved amount for small projects reaches 383,400 EURO and concerns supply of mobile first aid stations and medical equipment.
 - In **Romania**, the approved amount is 423,121 EURO and concerns, inter alia, supply of informatics to the University of Bucharest, training of unemployed women, configuration of the Isvoarele central square and refurbishment of the School and the Cultural Center of this village.
 - In **Serbia**, the approved amount is 371,912 EURO and concerns refurbishment and repair of buildings (e.g. Schools, Zitsa Monastery), repair of a flood-gate at the Danube river banks, installation of an information system in the endocrinological clinic of the Serbian Clinical Center, etc.

Note: The text of chapter [C-1] was drawn up by B2 Directorate of the Ministry of Foreign Affairs which is competent, inter alia, for ESOAB issues.

C-2 Participation of Greece in the Reconstruction Program of Sri Lanka

Establishment, Basic development Strategy and Activities of the “HELLENIC AID Special Mission” in Colombo, Sri Lanka

C-2.1 Introduction

Following the relevant international development practice of donor countries and in particular the implementation framework of an effective policy of development co-operation, structured by the Development Assistance Committee (DAC) of the OECD for its member states, HELLENIC AID of the Ministry of Foreign Affairs, established in May 2006 the “HELLENIC AID Special Mission” in Colombo - Sri Lanka, which constitutes an organic section of the Greek Embassy in New Delhi.

It should be noted that this is the first time that HELLENIC AID establishes an operative “Development Co-operation Field Office” in a developing country, aiming to constitute the on-site coordinator and supervisor, of the effective implementation of an integrated plan, to participate at After Tsunami Sectoral Reconstruction Projects for Sri Lanka.

According to international development policy, exercised by all specialized multilateral UN and E.U Organizations, as well as by senior bilateral donors, Reconstruction Projects are implemented right after the completion of emergency humanitarian and food aid projects and before the initiation of implementation of multi-annual development programs.

The implementation period for the reconstruction projects in Sri Lanka undertaken by international donors, already begun in the second half of 2005 and most of them are expected to have been completed around the end of 2007, provided safety conditions are favourable.

By establishing HELLENIC AID Special Mission in Colombo, of the Greek Embassy in New Delhi, HELLENIC AID of the Ministry of Foreign Affairs, having followed the “Scandinavian Development School”, establishes the preconditions for the development of an active humanitarian and development diplomacy, as well as for the involvement of Greece and its foreign policy in the development, and not only, proceedings of South-Eastern Asia, which constituted, at least until recently, terra incognita and a geographical region that was beyond Greek direct development priorities and was placed only within the framework of distant development planning.

With the establishment of HELLENIC AID Special Mission in Colombo, Greece becomes a more reliable and appreciable emerging donor in South-Eastern Asia. Thus, decreasing the traditional Balkan embracement and marching through development co-operation diplomacy, it broadens potential for new bilateral or multilateral co-operations and new development and diplomatic grounds, which will prove particularly fruitful, both for the recipient developing countries of Greek untied aid and the fight against poverty, in the framework of the UN's MDGs and for Greece as well.

C-2.2 Poverty in geographical regions of Sri Lanka

Despite the fact that Sri Lanka is not ranked any more among the less developed countries of the world, but is considered among the developing - middle income countries - according to the World Bank, it continues to face serious and pressing problems of poverty and income inequalities, in its Northern and Eastern regions, which were the most affected by the catastrophic Tsunami of 2004 and are still today suffering due to armed conflicts. In fact, according to a recent study of the World Bank entitled “Sri Lanka Poverty Assessment & Engendering Growth with Equity: Opportunities and Challenges” page E2 refers the following:

“... The development story in Sri Lanka is one of mixed success. The country is on par with middle income countries and Millennium Development Goal (MDGs) timetables for universal primary school enrolment, gender parity in primary and secondary school enrolment and universal provision of reproductive health services. At the same time, consumption income poverty persists and the poor continue to face basic welfare challenges such as malnutrition...”

“...Population in the estates, North and East, and the tsunami - affected coastal areas are more likely to fall into the poverty trap cycle due to historical disadvantages or recent events like civil conflict or natural disasters...”

“... The largest poverty reduction in 2002, occurred in districts with low incidence of poverty in 1990-91 (Colombo and Gampaha in Western Province). In some districts – already among the poorest in 1990-91 poverty increased even further. Poverty in the poorest districts of Badulla and Monaragala was more than six times than in Colombo in 2002...”

“... The tsunami that struck Sri Lanka on December 26, 2004 is likely to have worsened poverty outcomes. Although poverty numbers are not available for districts in the East hardest hit by the tsunami on December 26, 2004 the average monthly per capita income before the tsunami in the East was close to that of the poorest provinces of Uva and Sabaragamuwa, so the impact of the tsunami is likely to have worsened poverty outcomes...”

“...Sri Lanka’s growth performance has been below potential when compared with East Asian countries, especially given its early achievements in human development. Per capita income-comparable to that of many East Asian countries in the 1960s – is currently less than one-tenth of Korea’s, one-fourth of Malaysia’s and one-half that of Thailand...”
page E5

“... Migration can affect cross regional inequality by shrinking wage gaps between regions as people move in response to wage differences, and promote development in lagging regions through remittances sent back to the migrants place of origin...”
page 10

“... More inclusive economic growth will require easing specific constraints affecting particular sectors, regions and groups, but priorities critical for all include improving the quality of education, access to infrastructure like electricity, connectivity to markets and urban centers and access to finance for micro enterprises...”

C-2.3 Field operation of the “HELLENIC AID Special Mission” in Sri Lanka of the Embassy of New Delhi

Due to the great geopolitical and development importance of Sri Lanka, as well as to the destruction caused by the Tsunami, many Delegations of specialized UN Development Organizations (from the UN Office for the Coordination of Humanitarian Affairs – OCHA to the UN Development Programme - UNDP), the E.U Delegation (with ECHO and Europe AID), a great number of Embassies with the Offices of their Development Agencies, as well as hundreds of International Non Governmental Organizations (INGOs) and local NGOs, are currently in this Country and operate with Headquarters in Colombo and regional offices in certain of its regions.

In addition to the above mentioned, one should also include the until recently operating Office of the International Monetary Fund (IMF), as well as the operating Offices of the Asian Development Bank (ADB), the World Bank (WB) and also a series of special Development Banks (Germany, Japan, Korea, etc.) in order to mention just a few.

Coordinating meetings are held among the aforesaid multilateral and bilateral donors regarding the assessment of security conditions for international donors, the operational coordination, as well as the adoption of common practices regarding the implementation of humanitarian, food and development programs and above all, regarding the safe access to regions near areas of conflict, where distribution of humanitarian and food aid must proceed or emergency humanitarian installation programs must be implemented, for Internally Displaced Persons (IDPs) who leave their homes in their effort to avoid rising in numbers conflicts.

However, despite the prevailing extraordinary situation “no war – no peace” and the substantial increase in the number of conflicts, mainly in the Northern and less in the Eastern regions of the Country, no withdrawals of international donors are noted. On the contrary – despite the great delays in their implementation and the significant increase in the cost of materials and work hands – a focalization is noted recently, of government development efforts, as well as of reconstruction programs and of multi-annual infrastructure programs of many international donors, towards the less developed Eastern regions of the country (Monaragala - Ampara - Batticaloa - Trincomalee).

On the contrary, implementation of development programs at the underdeveloped Northern regions and the Peninsula of Jaffna, seems at present to be almost impossible, due to conflicts and is limited to mostly emergency humanitarian and food aid programs, since lack of food and medicines is noted, as it is reported by specializing International Organizations.

It is worth noting that HELLENIC AID reconstruction projects and “Aid Architecture” are not solely focused on the more developed Western regions (Region of Colombo) and on the South-Western regions (Region of Galle), but cover a broad zone of geographical regions, many of which are located in the less developed Eastern areas (e.g. building extensions for 7 Schools by the NGO “European Perspective”, as well as building extensions for 5 Schools by the NGO “Development Co-operation and Solidarity” [ASA] at the coastal region of Ampara, and also construction of 2 small Rural Medical Centers and a 24 bed Psychiatric Ward at the provincial Hospital of Valaichchenai, by the NGO “Doctors of the World” [MDM-Greece] in the region of Batticaloa).

Moreover, the first Greek-American Joint Development Program is expected to be implemented by HELLENIC AID and USAID in the region of the city of Trincomalee, by the construction of a new Vegetable Market & Fish Market building. Furthermore, the Greek Red Cross (EES) will implement the outstanding extension of five (5) Schools in the same region, known also due to the docking, in March 2005, of a Greek cruise ship – which operated for three months as a First Aid Station, getting very positive comments.

Besides, in the poorer and less developed Northern regions of Kilinochchi and Mallaitivu, the World Food Program (WFP) of the UN implements for HELLENIC AID since 2006, an innovative humanitarian food aid project for the pupils of 76 Schools, in combination with the construction in each School of kitchen areas, food storage areas and dining rooms, for provision of meals to non-privileged pupils.

In any case, the fact that HELLENIC AID implements a significant number of reconstruction projects mainly in the Eastern regions of Sri Lanka and their respective impact to development efforts of these regions, primarily for supporting their population which lives on very low incomes, does not escape notice, both at government level and on behalf of the beneficiary populations and in particular of pupils. This was recently evident during the completion ceremony of a very useful project, namely that of installing 300 photovoltaic systems in houses of deprived families in Monaragala, at the Eastern region of the Country.

In the same time, through frequent contacts made by members of Greek NGOs, stationed in Sri Lanka in order to implement HELLENIC AID projects, with representatives of local authorities as well as with other representatives of Sri Lankan civil society, collaborations have been established, which effectively enhance on-site implementation of their projects and promote the work of Greece and of HELLENIC AID.

C-2.4

HELLENIC AID country reconstruction strategy for rehabilitation projects in Sri Lanka

The planning of HELLENIC AID intervention in Sri Lanka takes into account the basic rules of humanitarian and developmental involvement of International Organizations and the DAC, as well as primarily, the sectoral planning of the Government of Sri Lanka, (alignment).

This planning seeks to respond, on the one hand to the needs of various development sectors affected by the Tsunami and on the other, to the emergency humanitarian needs of the population living in the regions affected by conflicts.

Therefore, the main selection parameters of the sectoral reconstruction programs of HELLENIC AID in Sri Lanka are the following:

- Not to lose the development momentum and to link the particularly innovative humanitarian action of HELLENIC AID, by the dispatching of the cruise ship – First Aid Station – to the Port of Trincomalee in 2005, with the subsequent reconstruction programs, based on the internationally established development principle, “linking emergency with reconstruction and development”.
- To take into account the assessments of the International Organizations and the E.U and their remarks on the need for implementation of sustainable sectoral reconstruction

programs in Sri Lanka, as well as the dictates of the “Millennium Development Goals” (MDGs), of the UN and the “Paris Declaration”, particularly in terms of ownership of aid, its alignment and its harmonization.

- To take into account government choices regarding the implementation of Sectoral Reconstruction Programs in regions seriously affected by the 2004 Tsunami, as well as the needs of local populations.
- To take into account geographical development and income inequalities of the Country, the regions that present the highest poverty rate, as well as the sectors from which the inhabitants lost significant income due to the Tsunami, e.g. Agriculture, Fishing, etc.
- For the on-site assessment of the needs and the drawing up of the reconstruction plan, a special four-member mission of HELLENIC AID visited Sri Lanka in July 2005 and had consecutive contacts with senior government representatives and other governmental and non-governmental bodies.

Based on the assessment of the above mentioned, it was estimated that the “Country Reconstruction Strategy” of HELLENIC AID for the Reconstruction Plan in Sri Lanka, should be based on the following critical developmental and organizational parameters:

First:

To be orientated towards the sensitive sectors of Education and Health, which constitute also the main goals of the UN’s MDGs, emphasizing also on gender equality, enhancement of civil society and promotion of non-discrimination of local populations, depending on their religious or racial origin.

Second:

To be orientated towards supporting Fishing infrastructures and the lost income of fishermen and their families, as well as local capacities.

Third:

During implementation of the projects, to seek to achieve the highest degree of efficiency, while the development results of reconstruction projects to directly benefit local populations (ownership), particularly of the poor Eastern regions of the Country (poverty eradication) according to DAC principles.

Fourth:

To try to ensure that the projects will be implemented by Greek NGOs and if this is not possible, to examine the possibility of implementing HELLENIC AID projects either by specialized International Organizations or by Bilateral Donors.

Fifth:

To seek, according to what applies internationally, the signing of a “Bilateral Agreement on Co-operation for Reconstruction between Greece and Sri Lanka (2006-2008)”, that will also constitute the general framework of the reconstruction intervention of HELLENIC AID in Sri Lanka.

Sixth:

Finally, to establish a “HELLENIC AID Special Mission” in Colombo, as an operational section of the Greek Embassy in New Delhi, according to Icelandic (Iceland International Development Office - ICEIDA) and Danish (Danish Development Co-operation Office – DANIDA) standards.

It is noted that the closest Icelandic and Danish Embassies are located in New Delhi.

Mr. Georgios Filipeos, Minister Counsellor – Development Co-operation, is Head of the HELLENIC AID Special Mission in Colombo, of the Greek Embassy in New Delhi, since May 2006.

C-2.5

Signing of the first bilateral development co-operation Agreement between Greece and Sri Lanka

Following the model of other Donor-Countries, HELLENIC AID drew up in 2006 the text of the Bilateral Reconstruction Co-operation Agreement between Greece and Sri Lanka (2006 – 2008) which, after being elaborated by the Legal Service of the Ministry of Foreign Affairs, was forwarded through the Greek Embassy in New Delhi, to the Ministry of Foreign Affairs of Sri Lanka.

In any case, it is noted that this Agreement, the first to be signed by Greece and HELLENIC AID with a developing Country, constitutes the reference framework of HELLENIC AID development intervention in Sri Lanka and may be renewed with the consent of both parties.

Moreover, it is highlighted that, in addition to this Bilateral Agreement, all Greek NGOs that implement HELLENIC AID reconstruction projects in Sri Lanka, have already signed with the local Ministries of Education, Health, Social Services, Fishing, etc. a Memorandum of Understanding (MOU) through which implementation of sectoral projects is approved and mutual co-operation is enhanced.

C-2.6

The framework of the activities and initiatives of the “HELLENIC AID Special Mission” in Colombo

The general framework of activities, initiatives, contacts and co-operation of HELLENIC AID Special Mission in Colombo of the Embassy of New Delhi, can be outlined as follows:

- Co-operation with the Ministries of Finance, Education, Health, Social Services and Social Welfare, Women Empowerment and Child Development, Fishing and Fishing Resources, etc.
- Co-operation with other important governmental specializing Services, such as the Rehabilitation and Development Agency (RADA), as well as co-operation with Ceylon Fisheries Harbour Co-operation (C.F.H.C.), CeyNor Foundation L.t.d. (CEYNOR) and other governmental or non-governmental Services.
- Co-operation with many multilateral Development Organizations of the UN system, the Offices of the E.U (Europe AID και ECHO) and also with the International Development Banks which have a significant development role in Sri Lanka.
- Co-operation with the exceptionally active Development Agencies of many bilateral donors that implement significant programs in Sri Lanka.

- Participation in coordinating meetings of international multilateral or bilateral donors and of Development Banks, such as the Bilateral Development Group (B.D.G.), the Development Partners Group (D.P.G.), the E.U Development Counselors Group, and others.
- Systematic and quite frequent co-operation with members of Greek NGOs stationed in Sri Lanka to implement HELLENIC AID reconstruction projects, in order to examine, arising problems regarding procedures for projects' implementation, procedures of calls for tender for selecting constructor for each project who will make the best offer, as well as coordination and supervision of the progress of the works in the field.
- Visits along with the competent persons of Greek NGOs to the regions where the projects are being implemented in order to ascertain on-site of the progress achieved and make contact with the beneficiary populations.
- Visits to local Authorities and Bodies of the regions where the projects are implemented, for examining on-site the needs and for highlighting the work of Greece and that of HELLENIC AID.
- Frequent visits to UN Organizations that have undertaken to implement projects of HELLENIC AID in Sri Lanka, such as the World Food Programme (WFP), the UN Office for Project Services (UNOPS), the International Migration Organisation (IOM) etc.
- Frequent and systematic provision of information and co-operation with the Embassy of New Delhi, regarding the course and progress of the reconstruction projects of HELLENIC AID, examination of the arising problems and provision of information on anything regarding the humanitarian and development presence of Greece in Sri Lanka.
- Dealing with numerous and time-consuming administrative procedures faced by the Greek NGOs that are already stationed in Sri Lanka and in particular:
 - a) registration of NGOs to the Special State Registry (INGO Registration) because without this registration the projects cannot begin,
 - b) issuing of a resident visa in the Country and
 - c) issuing of a working permit for the members of the Greek NGOs in Sri Lanka.

It is pointed out, however, that the average required time for the completion of the above mentioned extremely complicated and bureaucratic procedures, is over four months.

- Dealing with the particularly serious and tensed security problems faced by everyone working, moving and operating in the Eastern and Northern regions of the country.
- Finally it should be mentioned that the Greek NGOs operating in Sri Lanka have undertaken to record every reconstruction project that is being implemented – from the initial signing of the MOU with the competent Ministry to the project's completion – on a CD, with photographic and other material, which fully illustrates the evolutionary process and the construction progress of HELLENIC AID reconstruction projects. In this way, there will be a fully operational image of the projects' progress, at the Office of the HELLENIC AID Special Mission, at the Embassy of New Delhi and at the Ministry of Foreign Affairs.

C-2.7
The integrated HELLENIC AID plan
for implementation of rehabilitation projects
in direct causality with the promotion of the
UN “Millennium Development Goals” (MDGs) and the “Paris Declaration”

As mentioned before, the main development goal of HELLENIC AID was to contribute, through the implemented reconstruction projects in Sri Lanka, to the promotion of the UN's MDGs and to the process of combating poverty.

Indeed, all sectors of implemented projects, namely:

- a) enhancement of primary and secondary Education
- b) enhancement of the Health sector
- c) enhancement of the Fishing sector

are included in the main objectives of the MDGs, as local incomes, nutrition and the quality of life of the inhabitants and particularly of pupils, are enhanced.

C-2.8
Applying country reconstruction strategy:
Analytical presentation of HELLENIC AID
rehabilitation projects in Sri Lanka
by geographical region and implementing Agency

The full and analytical picture of the geographical planning and allocation, as well as of the progress of the reconstruction projects per implementation body is as follows:

C-2.8.1 Projects in the Western and South-Western Sri Lanka
(NEGOMBO - COLOMBO - GALLE)

NEGOMBO

- Promotion by HELLENIC AID of the construction procedures, of the Fishing Port of NEGOMBO, through the UN Office for Project Services (UNOPS).

The initiation of the co-operation and the project's implementation by UNOPS is expected. The duration of the construction of the pier and of a three-storey and a two-storey building at the fishing port, as well as the construction of 25 small residences for the resettled homeless, is estimated to approximately 18 months.

With the completion of this project many owners of medium and big fishing boats will benefit as well as the region's economy.

COLOMBO

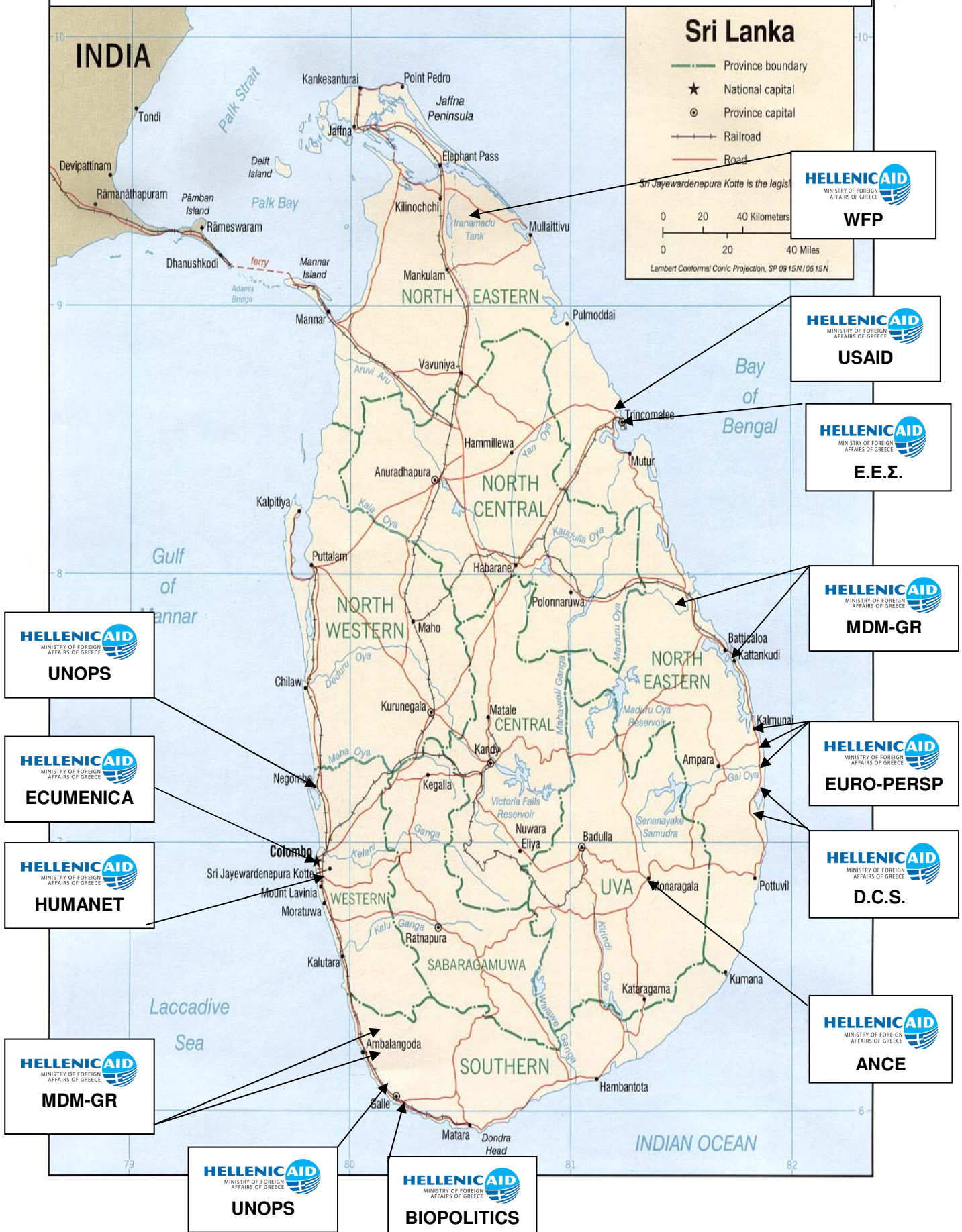
- NGO “BIOPOLITICS INTERNATIONAL ORGANISATION”

An environmental training project for sustainable development in Sri Lanka. In addition to the relevant seminar that took place in Athens, a special manual relating to the environment and sustainable development in Sri Lanka, is expected to be printed in Sri Lanka with the co-operation of a local NGO. The manual will be distributed to environmental Bodies, Organizations and Universities of the country.

- NGO “ECUMENICA”

Initiation of a project is expected for the purchase of 4-5 equipped Ambulances (depending on the prices offered by the participating companies, to the relevant procurement, which is going to be published in the English press of the country).

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- NGO “HUMANET”

The initiation of the project for the building of 25 medium-size polyester open sea fishing boats and the relative call for tender in the English press of Sri Lanka, is expected to take place in early July 2007.



(Dr. Kurt Alois Twerenbold has undertaken the task of Country Director and Mrs Anna Butenko is Project Officer).

GALLE

- NGO “DOCTORS OF THE WORLD – GREECE”

- Building Extension of the school
MAADUWA MAHA VIDYALAYA – MAADUWA, BALAPITIYA.
- Building Extension of the school
G/SRI VIMALASARA VIDYALAYA - MAHAKARAWA BALAPITIYA.
- Building Extension of the school
G/SIRI ABAYATISSA MAHA VIDYALAYA – SEEMIGODA, BALAPITIYA.
- Building Extension of the school
G/WATHURAWELA GAMINI MAHA VIDYALAYA, WATHURAWELA, KOSGODA.



Construction works of the School buildings proceed quite fast. The concrete columns, the floor of the buildings and the walls of the classrooms have already been constructed and the fitting of the roof of the 2 single-storey Schools will be implemented shortly. Furthermore, the slabs of the 1st floor of the two-storey and three-storey Schools have been constructed and the roof of the two-storey School is expected to be fitted, as well as the slab of the 2nd floor of the three-storey School.

- Promotion of the procedures for the construction by HELLENIC AID, via the UN Office for Project Services (UNOPS) of the Fishing Port of DODANDUWA-GALLE.

The initiation of the co-operation and the project’s implementation by UNOPS is expected. The duration of the construction of the stone pier and of the two-storey fish market of the

fishing port, is estimated to approximately 18 months. Upon completion of this project many owners of small and mainly traditional wood boats will benefit, since until now their boats were not protected by the ocean waves.

C-2.8.2 Projects in Eastern Sri Lanka (TRINCOMALEE – BATTICALOA – AMPARA – MONARAGALA)

TRINCOMALEE

- Implementation of the first Greek-American Joint Development Project between HELLENIC AID and USAID is expected to be initiated, just outside the city of Trincomalee, with the construction of a ground-floor Building that will be used as a Vegetable Market and a Fish Market. This project is expected to actively contribute to reconciliation of local minorities among the region's inhabitants "en ti Agora".
- Construction of 5 Schools by the Greek Red Cross (EES) is expected, in the region of the city of Trincomalee. Initiation of procedures is estimated in September 2007.

BATTICALOA

- NGO "DOCTORS OF THE WORLD – GREECE"
- Construction of a 24 bed ground-floor Psychiatric Ward at the Regional Hospital in Valaichchenai, which covers along with the Regional Hospital in Batticaloa, all health care needs of this region, that has been seriously affected by conflicts.
- Construction of a ground-floor Health Center – Mother/Child – (Gramodaya C type) in Kattankudi.
- Construction of a ground-floor Health Center (Gramodaya C type) in Mankadu.



It is expected, barring the unexpected (for security reasons), that the construction works for the two Health Centers will begin around mid-July 2007, whereas the construction of the Psychiatric Unit – because of changes to the architectural plans – will start later.

It is also noted that the Ministry of Healthcare and Nutrition recently sent a request to HELLENIC AID, for the additional financing of a three-storey Surgical Clinic at the above mentioned Hospital in Valaichchenai, which does not have as yet a surgical unit.

AMPARA

- NGO "EUROPEAN PERSPECTIVE"

(Mr. Ioannis Diaggelakis, Country Director, is already present at the Office of the NGO in Colombo, since December 2006, whereas Mr. Ioannis El Hanna, Coordinator Assistant, Mrs.

Ioanna Papanikolaou, Civil Engineer and Mr. Vassilios Balaskas, Financial Officer, have also arrived).



- Building Extension of the school
AK / AR-RAHEEMIYA VIDYALYA, AKKARAIPATTU.
- Building Extension of the school
AK / RAMAKRISHNA MISSION VIDYALYA, AKKARAIPATTU.
- Building Extension of the school
AK / ZAHIRA VIDYALYA, AKKARAIPATTU.
- Building Extension of the school
KM / SAFEENA MUSLIM VIDYALAYA, KALMUNEI.
- Building Extension of the school
KM / GANESHA MAHA VIDYALAYA, KALMUNEI.
- Building Extension of the school
KM / PANDIRUPPU MAHA VIDYALAYA, KALMUNEI.
- Building Extension of the school
KM / PERIYANEELAVANAI VISHNU MAHA VIDYALAYA, KALMUNEI.

It is noted that the publication of the call for tender in the English and local press will take place in April 2007, while by July the selection of the contracting companies will have been completed.

It is expected, barring the unexpected, that the construction works for the buildings will start around mid-July 2007 in the region, which presents, from time to time, severe security problems.

▪ NGO “DEVELOPMENT CO-OPERATION AND SOLIDARITY” (ASA)/(D.C.S.)

(Mr. Ioannis Diaggelakis, Project Coordinator, is already present at the Office of the NGO in Colombo – From time to time, a Civil Engineer of the NGO from Athens is also visiting Sri Lanka).



- Building Extension of the school
AK / AYESHA BALIKA VIDYALAYA, AKKARAIPATTU.

- Building Extension of the school
AK/FAYIZA MAHA VIDYALAYA, AKKARAIPATTU.
- Building Extension of the school
AK/AI MUNEERA GIRL'S MAHA VIDYALAYA, ADDALAICHENAI.
- Building Extension of the school
AK/AI ARAFA VIDYALAYA ADDALAICHENAI.
- Building Extension of the school
AK/AN NOOR VIDYALAYA ADDALAICHENAI.

It is noted that the publication of the call for tender in the English and local press will be implemented in April 2007, while by July the selection of the contracting companies will have been completed.

It is expected, barring the unexpected, that the construction works for the buildings will start around mid-July 2007 in the region, which presents, from time to time, severe security problems.

MONARAGALA

- NGO "Athens Network of Collaborating Experts (ANCE)"

(Mr. Panayotis Kostis is present at the Office of the NGO in Colombo, whereas Mrs. Aspasia Kakari, Director of the NGO and Mrs. Xenia Koutentaki have visited, from time to time, Sri Lanka.)



- The first popular project for the installation of 300 solar panels in an equal number of poor families' houses at the region of Monaragala, will be completed by the aforesaid NGO in April 2007. It should be noted that this will be the first project of HELLENIC AID that will be completed in Sri Lanka and which will benefit mainly pupils of agrarian families, who did not expect to be supplied with electricity, not even after five years.
- Following continuous requests from other families, living in the same region, to benefit from a similar project, the Ministry of Women Empowerment and Child Development sent to HELLENIC AID a new proposal, a second project for the installation of big solar panels in 60 Schools and small solar panels in 400 houses of the same rural and poor region of Monaragala.

C-2.8.3 Projects in Northern Sri Lanka (KILINOCHCHI - MALLAITIVU)

- Continuation of implementation of the innovative project, on the one hand for feeding of hundreds of children in 76 Schools in the poor regions of Kilinochchi and Mallaitivu and on the other hand, for the construction in the same Schools, of kitchen areas, food storage areas and dining rooms for the pupils. This project, for the implementation of which in

addition to teachers, parents are participating as well, has a special effect in the region. It is financed by HELLENIC AID and implemented by the UN World Food Programme (WFP), despite particular security difficulties and lack of building materials in the region.

It is noted that UNOPS – in co-operation with the WFP – has undertaken the constructional part of the project. Five Schools have already been constructed, while in ten more works have advanced considerably.

Note: The text of chapter [C-2] was drawn up by Mr. Georgios Filipeos, Minister Counsellor A' of the Ministry of Foreign Affairs, who is Head of the HELLENIC AID Special Mission in Colombo, Sri Lanka, of the Greek Embassy in New Delhi.

C-3 Immigration Policy and Combating Human Trafficking

A specific aspect of development co-operation strategy concerns cohesion of development co-operation policy with immigration policy.

Managing immigration flows, combating illegal immigration and developing of an excellent integration standard, constitute major challenges for Greece and the DAC countries. Immigration policy making should appraise the causes of the immigration phenomenon, the monitoring of immigration trends, the undertaking of initiatives aiming to jointly face immigration flows and the establishment of partnership relations with the countries of origin and transit, on immigration issues. It is well known that the causes of immigration are numerous.

Insecurity, limited perspectives for economic prosperity, poor living conditions and other related factors prompt poor populations to adopt the solution of immigration. The phenomenon is particularly observed in the region of South-Eastern Europe and particularly in the Balkans, where entire families migrate in their effort to find jobs in the E.U and in particular in Greece, where the biggest immigrant flows come from neighboring Albania.

However, on the other hand, immigration creates negative phenomena as well, which are linked to the delinquency of illegal immigration of the cross-border crime. The most specific type of this phenomenon is trafficking and trade in human beings (mainly of foreign women and children) who, in their effort to seek new working opportunities and a better fortune, are trapped ending up in prostitution and other types of slavery.

The Greek state, considering immigration as an integral aspect of its development policy and a millennium goal, contributes positively to the following issues of immigration policy:

- Approaches the immigration issue from the positive perspective of manpower exploitation, through unhindered access of immigrants in education, language learning and in social integration programs.
- Promotes integration of second generation of immigrants to social and professional life.
- Reduces illegal immigration and rationalizes the criteria for granting of asylum, so that there are better employment opportunities for the native born population and legal immigrants.
- Promotes programs for integration of women immigrants in order for their vital role in supporting social cohesion of immigrants to be appreciated and exploited, through the promotion of positive immigrant models to the native population.
- Encourages adoption and institutional strengthening of assessment programs for immigration applications that respond to all direct and long-term needs of the labor market.
- Seeks close co-operation with the countries of origin, in order for immigration flow management to operate in a mutually advantageous way for both sides.
- Repatriates immigrants according to its national legislation after the completion of their studies and with the completion of the 21st year of their age.

Beyond repressive measures, Greek strategy supports the view that the Country has to adopt development policies that will lead to the alleviation of social asymmetries, so that organized crime and trafficking in human beings will not prosper in South-Eastern Europe, by establishing respective development structures in the countries origin.



Furthermore, the Greek State carries into effect its National Action Plan (ESD) to combat trafficking in human beings. Since May 2004, an Inter-ministerial Drafting Committee to the Prime Minister, at Secretary-General level, has been established. The Committee's mission is to fully coordinate activities aiming at the implementation of the legal framework for assistance provision to victims and prosecution of traffickers. Experts, operational officials (officers, prosecutors) and specializing NGOs, contributed to the Committee's work. Activities cover the entire spectrum of combating trafficking in human beings that includes the ESD (Prevention, Protection and Suppression). Activities are implemented via co-operation with jointly competent Ministries, International Organizations, Inter-state co-operation and co-operation with Greek and international NGOs.

In brief, activities include victim identification and committal programs, provision of shelter and psycho-social support in hostels, provision of legal and administrative support, voluntary repatriation, activities in the countries of origin, information and awareness raising campaigns for the public and training programs for the jointly competent government Bodies.



The initiatives jointly developed by HELLENIC AID and IOM (International Organization for Migration) cover a significant sector of the National Action Plan and ensure the alignment of the national pillar of activities with international best practices. In particular, IOM, with the financing and the co-operation of HELLENIC AID, implements a series of activities aiming at improving the system of victims' identification, committal and relief provision, as well as, training and awareness raising of judges and police authorities, regarding the proper practices of victims' identification and relief provision. Within this framework, a relevant two-day conference took place in 2006 in Rhodes, under the auspices and with the financing of HELLENIC AID, in co-operation with the Greek Prosecutors Association, which was attended by approximately 200 Attorney-Generals from all over Greece.

Moreover, HELLENIC AID in co-operation with the IOM, maintains a constant consultation forum with Consulate/Diplomatic authorities of all countries of origin of victims (South-East Europe and Nigeria) aiming at better coordination and regional co-operation. The forum has been raised to an important instrument of close co-operation among representatives of states, NGOs, International Organizations and foreign states' bodies active in combating trafficking in human beings. The Forum's value added lies in the fact that it institutionalizes a systematic dialogue among all involved bodies, including for the first time, representatives of governments from the countries of origin, transit countries and destination countries.

Discussions take place in the Forum's framework, aiming at clearing and resolving of problematic issues, arising during provision of protection and support to the victims, such as cases of losing passports, victim repatriation procedures, problems during the issue of resident visas, etc.

Respective activities in the sectors of prevention, protection and suppression of trafficking in human beings are implemented by HELLENIC AID in co-operation with the NGOs: Arsis, Antigoni, Allilegii (Solidarity), Center for the Defense of Human Rights, Greek Council for Immigrants, EKYTHKA (Research and Support Center for Victims of Maltreatment and Social Exclusion – C.V.M.E.), European Center of Public Law, Rehabilitation Center for Torture Victims, Klimaka, European Network of Women, International Policemen Union. Finally, HELLENIC AID financed programs FOR COMBATING trafficking in human beings in co-operation with the Ministry of Public Order (ILAEIRA program) and the YPESDDA (KETHI - Research Center for Gender Equality, General Secretariat for Gender Equality, IMEPO – Hellenic Migration Policy Institute).



The Report of the US State Department (June 2006) on combating trafficking in human beings, was very important for the international image of Greece and indeed very encouraging for the effort made for a period of some two years, by the Ministry of Foreign Affairs and HELLENIC AID.

Greece was upgraded to Tier 2, since it is no longer a state under supervision, without of course having completely confronted all problems, such as arrest and sentence of traffickers. The international factor has recognized the systematic and dynamic effort achieved over the previous years by the Ministry of Foreign Affairs and HELLENIC AID for combating the phenomenon, as well as the initiatives of the Greek government that led to the enhancement of capacities for protecting trafficking victims, such as the signing of the Memorandum of Co-operation with NGOs, the signing of the Agreement for minors' repatriation with Albania, as well as the information and awareness raising campaign for the public.

The fact that the up-to-date work for combating and preventing the phenomenon is recognized, encourages HELLENIC AID to continue its coordinated effort, along with the jointly competent Ministries and NGOs, to defend the values of culture and democracy, standing up to the unacceptable phenomenon of modern slavery.

Note: The text of chapter [C-3] was drawn up by YDAS-1 Directorate of the Ministry of Foreign Affairs.