

e The initiative “Digital Local Authority” with a total budget of 60 MEuro has also been put into effect. It aims at the development of digital services at the municipal and regional level, across the whole of Greece. Such digital services are intended to facilitate the interaction of citizens with local authorities, by utilizing the power of IT and the Internet. As of today, more than 100 municipalities with a population greater than 20.000 citizens, have submitted plans for the development of digital services and are being evaluated. More than 60 of them have already been funded and are expected to provide digital services by the end of 2008. This initiative is complemented by more than 115 digital services funded in 2006, which have a direct and immediate beneficial impact on the every-day lives of the citizens.

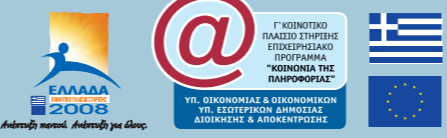
the tools for implementing the digital strategy

The tools for implementing the new Digital Strategy, include:

- The current Operational Programme “Information Society”
- Operational Programmes of the next Programming period 2007-2013 and more specifically the Programme “Digital Convergence”
- The new law for Public Private Partnerships
- The new law for investments, which makes specific provisions for broadband infrastructure and services and investments in the technology sector



HELLENIC REPUBLIC
 MINISTRY OF ECONOMY AND FINANCE
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01

the Greek digital STRATEGY 2000-2006



During the last four years, Greece has been pursuing its ICT diffusion objectives through an horizontal Operational Programme for the "Information Society". The Programme is financed by the 3rd CSF and has a total budget of 2,847 million €, including public and private participation.

The design and supervision of the programme has been assigned to the **Special Secretariat for Digital Planning** in the Hellenic Ministry of Economy and Finance, which has the overall co-ordination. The Operational Programme was revised in June 2004, so that its aims would closely reflect the Lisbon Strategy objectives and the eEurope 2005 directions.

The Government initiative "Digital Strategy 2006-2013"

In July 2005, the Government presented an integrated "Digital Strategy" policy for the period 2006-2013. The new digital strategy places ICT high in the country's agenda and treats new technologies as a strategic priority for Greece, adhering to the principles of the EC "i2010" Information Society action plan. The aim is to perform a "Digital Leap to Productivity and Quality of Life".

The "Digital Strategy" comprises two main objectives

- a. Enhanced business productivity through the use of ICT, and new skills,
- b. Improved Quality of Life through ICT

The two strategic objectives are further decomposed into 6 main directions

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

The Digital Strategy for the period ahead, already comprises more than 70 specific interventions and it is complemented by a series of tangible targets and metrics.

02

Progress achieved during the last 12 months



The Greek Information Society has continued to grow in 2006 mainly as a result of the interventions of the new **Digital Strategy**

but also due to more favourable conditions and the increase of competition in the broadband market.

According to the Observatory for the Greek Information Society broadband penetration has increased to almost 2,7% of the population (June 2006), up from 0,1% in 2004 and almost 1,5% at the end of 2005. The rate of new broadband subscribers has tripled since 2005, to more than 27.000 new ADSL subscribers per month as of March 2006 and continues to grow further.

Retail market prices for broadband access have fallen considerably within 2006, and in some cases have even been slashed at rates below €14 per month (almost -70% compared to 2005 prices) for basic 384/128 kbps ADSL access. Market prices have also been influenced by the Government's initiative "Diodos" which was inaugurated in March 2006, providing broadband access to students at very favourable prices through the market (in some cases reaching almost €10/ month for 512/128 kbps ADSL access). Furthermore, according to the Observatory for the Greek Information Society a critical mass of consumers has been formed, comprising almost 5% of the population, who are either purchasing electronically or are placing orders online through the Internet on a frequent basis.

Until the first quarter of 2006, no new fully transactional (stage-4) digital services have been inaugurated except for those already in place (such as taxisnet etc.). However during this period, the development of more than 40 new digital services has been funded. These digital services are expected to gradually start being offered from the third quarter of 2006. In terms of e-government services usage, registered users of digital services provided by the Ministry of Economy and Finance for tax and other fiscal purposes now amount to almost 1.450.000, an increase of 8% compared to 2005 and 18% compared to 2004 respectively.

During the last 12 months an additional number of almost 34.000 small and very small enterprises have been funded for introducing systems and the Internet into their business operations (initiatives "Go Online", "Meteho", "Go electronically" etc.). This presents an increase of 130% since year 2005 (a total number of almost 60.000 SMEs funded until 2006, versus 26.000 at the end of 2005).

03

Indicative interventions implementation



Five major initiatives have been put into effect in year 2006, within the framework of the Digital Strategy 2006-2013. Their financing has been secured through the Operational Programme for the "Information Society", by utilizing Structural and National Funds.

The **"Broadband Action Plan to 2008"** is currently in full implementation. The Broadband Action Plan is allocating a total budget of 450 MEuro for the development of broadband infrastructure across regions of Greece, the co-financing of broadband services development and the stimulation of broadband demand. It includes the development of Metropolitan Area Broadband Networks in 75 cities, the deployment of Wireless Broadband Networks in 120 municipalities, the co-financing of the development of more than 700 wireless access points at 400 businesses, etc. The Broadband Action Plan to 2008, has set as **minimum targets, the increase of broadband penetration to 7% by 2008** (compared to 0,1% in 2004), the increase of broadband population coverage to almost 90% (compared to less than 40% in 2004) and the increase of broadband geographical coverage to 60% (compared to less than 10% in 2004).

To this objective, the Greek Government submitted to the EC services a 210 MEuro project plan entitled **"Broadband Access Development in Underserved Territories"**, which aims to **co-finance broadband investments for local-access across Greece (excluding Athens and Thessaloniki)** for boosting broadband penetration and coverage in regions where citizens and businesses currently have difficulties in gaining broadband access. By June 2006, the project was endorsed both by DG-Regio and DG-Competition, with the remark that **"the project is to date the most significant broadband project undertaken by a Member State"** (sic). The project was tendered in July 2006.

A plan for the creation of a **"Digital Leap" venture capital fund** that was submitted by the Greek Government was also endorsed by the EC services in 2006. **The "Digital Leap" venture capital aims at facilitating entrepreneurship and the development of new businesses, by financing with 100 MEuro either ICT business start-ups or ICT-related business start-ups.** The "Digital Leap" venture capital fund will invest directly at businesses by Q2-2007 and will be managed by a private manager, hired through a tender.

A **"Digital Greece" Awareness Campaign** has been tendered within 2006, with the aim of familiarizing citizens across Greece with the benefits of Information Technologies and Broadband. The Awareness Campaign will initiate by Q4-2006 and is already complemented by smaller-scale awareness initiatives (free Wi-Fi internet at public places etc.)