

KOSTIS HATZIDAKIS,

Minister for Development and Competitiveness

Distinguished Vice President of the European Commission, Ministers, Ladies and Gentlemen, dear guests,

It is true that today is a very important day for Greece. Ladies and gentlemen, after four years of isolation, Greece is now returning to the markets and is once again truly a European country. This -we must acknowledge- is owed to the sacrifices of the Greek people as well as to the efforts of the Greek Government and to all those who supported these efforts here in Greece and internationally. Among those who supported our efforts of the past years, is certainly the Vice-President of the European Commission, Mr. Almunia - and we acknowledge the fact- who did everything in his power to help our country and to help solve various problems within his area of competence and we are now in a much better position than we were before thanks to him, among others.

Ladies and gentlemen, the change in Greece's direction was no coincidence. Rather, it was the result of a series of political decisions and policies in the field of financial and economic policy as well as in the field of structural changes. Of course I am not the Finance Minister, but you have already heard from my colleague, Mr. Stournaras, and I think he put it very clearly, that although a few years ago Greece had had a double budget and current accounts deficit, today we have a double surplus –just to compare. In the area of structural change, I would like to say a few more words, if I may, in order to point out that if there is something that we learned from this crisis -a crisis of a kind that never experienced before in Greece- it is the following.

First of all, that our economies, especially in the new globalized environment, have to be competitive and in so doing, we have to emphasize extroversion and innovation -and this has to be based on appropriate policies. And secondly, that we must maintain our social model. In order to do so, we have to support healthy entrepreneurship because this, in turn, supports employment and creates better daily living conditions for citizens. This cannot be achieved by magic, ladies and gentlemen, but rather on the basis of simple logical thinking and reason, based on the market. Of course, this in turn is served by the rules of competition and this is our topic for today's conference. In the past few years the Greek government has been working in order to overcome the crisis and to get back on track in terms of economic growth. I don't want to say too much about what we did in the insurance sector, in the employment sector, and so on and so forth. But I'd just like to give you a few points about the most recent measures implemented by my Ministry, which

also go in that direction. They have to do with supporting competition which, I can only say once again, is the prerequisite that we need to fulfill in order to bring our economy forward, in order to improve day-to-day life in this country.

First of all, we have liberalized the markets with respect to heavy and light lorries and with respect to tourism _here we have full liberalization_ as well as in tuition fees at private schools. This is something that many people were afraid of, but ever since we have carried out the measure, actually tuition fees have been lowered. That is the truth and we have statistics for that. Secondly, we have the new legislative framework for the market and for commercial shops. This has made it possible to do away with a whole series of obsolete and complicated rules. Thirdly, we have much a simpler regulatory framework on the functioning of the market today, which makes it possible for entrepreneurs to sell more items at more outlets than ever before, and that is also an improvement. Fourth, we have a modern European market framework for sixteen professions now, more than we had before, along the lines of European legislation. Further, we have also overcome distortions in the fuel market by following the Competition Commission's recommendations. But something I would like to say a few more words about is the law that we have recently passed, which has allowed us to overcome many obstacles in the sectors of trade, tourism, construction materials and food manufacturing. And this is very important for us because we used the OECD Toolkit as has been done in Australia, in Canada and in Japan before. We thereby were able to fulfill a double goal. First of all, to improve the competitiveness of present companies, but also to have new companies founded which make our production base much better and thereby improve the competitiveness of the whole country. Secondly, we achieved our goal of reducing prices of key products, essential to Greek consumers. And, as you know, the Greek people are at the moment really under enormous pressure and are making many sacrifices due to the crisis. So this is very important. So, the price of basic products and services has been reduced –and I refer to milk, detergents and nonprescription medicines. We have also, especially in the construction material market, been able to improve the price situation now we have a more flexible price structure for commercial shops with promotions, times for discounts and so on and so forth. Furthermore, we have a better system for tourist units and we were able to do away with rules which were an obstacle to tourism development in this country. Of course there are reactions to that, ladies and gentlemen. I mean, it stands to reason that it had to happen and various professional and commercial groups had, of course, to defend the interests of each of their commercial areas. And of course, those who were already on the market try to defend their interests. However we, representing the government and the Ministry of Development, of course are not here in order to simply defend the interest of various small professional groups, but we are here to see the whole picture, to defend the common good and

interest of all of our consumers and of the whole market. This is why we move forward decisively in order to serve the interests of the millions of Greek citizens who saw their incomes drop by 25 to 30% over the past years. And all of these citizens, of course, have the right to work on a free market, without having any obstacles put in their way, which would hinder them in exercising a profession, simply due to obsolete rules rather than make it possible for them to actually working on their living on a free market. Of course, there is no point in trying to keep prices up and competition down if it's not in the interest of the common good. And that it is where we did not subject ourselves or allow ourselves to be subject to the pressure that was brought, to be honest, by these spheres of vested interest. Rather, we were after our goal and we achieved it because this is our duty to the Greek citizens and it is also what our conscience dictates us to do and it's the most substantial kind of policy that we could have carried out under the prevailing conditions. So, we could not increase the salaries or pensions in this country but we could do something about the market in order for prices to come down. At the same time, we could do something also about deregulating the market so that people could actually carry out professions freely, without coming under pressure from legal cartels which is what we had in the past. So we are carrying forward efforts, by applying respective methods to various sectors, such as wholesale, e-commerce, telecommunications and industry.

Under the Hellenic Presidency, I think we have been able to show what we have been actually able to achieve in practice over the past months, in addition to what we have just heard from the Minister of the Economy. We have been able to contribute to two European directives which are both directly and indirectly affecting competitiveness and competition, for example, electronic invoicing for public contracting. This is made much easier for SMEs to have access to EU level tenders. This is very important and has also saved € 2.3 billion all in all. It has also improved transparency and corporate social responsibility and it means that companies on the whole are now working in a more transparent and socially responsible fashion. Of course, social corporate responsibility means that we have a more transparent market and that it is easier to evaluate the services which are offered by a company. Regarding competition as such, the Hellenic Presidency has also put emphasis on the completion of the Directive with respect to compensation arising from infringement of competition rules, which is also what Mr. Almunia referred to earlier.

This is something which gives a decisive message from the European Union to the cartels who are trying to keep a very strong hand on entrepreneurship and the markets. In other words, it now makes it possible for a compensation to be paid for such infringements. An example for this is the decision of the Competition Commission which showed that there was a violation of

Competition Law and this will in future be binding for the courts since the European citizens should not be subject to such violations and their consequences in the future. And if these laws are violated, obviously the compensation will be paid in full, not just for the damage but also for the profit which may be foregone and the interest on that profit, due to violations of competition rules. The direct customers are clients of the infringers and not only the wholesalers but also the next links on the chain, for example local authorities, retailers and so forth, who are also entitled to compensation. So, this is a very good thing for European citizens and European consumers on the whole.

This is something we have been very pleased to do and I would also like to say how constructive the cooperation and collaboration with Commissioner Almunia have been. I would also like to express our gratitude for the hope we have received from him as well as from the Greek Competition Commission, because this is been of decisive significance for us to carry out the very complicated negotiations that had to be completed. The intention of our government, of course, is to make this directive part of Greek law as soon as possible and not to wait for the deadline that has been set for us for incorporating it into national law.

Ladies and gentlemen, we are now leaving behind us the economic crisis and in so doing, for the country of Greece as a member of the European Union, we have many challenges that we are up against in the field of social responsibility and in the field of competition. In both these fields, it's very clear that the culture of working together must have a positive effect on competition in our markets and thereby also on protection for consumers and our citizens in general. Therefore, all of this is very important to all of us, to the member states, to consumers and to companies alike. And therefore, it is very important that we emphasize the significance of competition in order to lay the basis for equal opportunities but also for a new period of well-being in Europe. That means a lot for prosperity on the whole in all of our countries and we owe this to our citizens who have made sacrifices during this crisis, who have still not lost hope and believe in a better future.

It has to be clear in our minds, ladies and gentlemen, that what we need is not only the 10th of April as the day of Competition in Europe, we need much more than that. We need 365 Competition Days in Europe, 365 days of Competition on the European market. That means more quality of life for all of us, it means progress and a better future for all the European citizens.

Thank you for your attention.