

Contribution of European Programs to Development – Competitiveness – Innovation and Generally to the Economy for the Region of Peloponnese Over the Last 20 Years in the Field of Manufacturing

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Abstract

The European Union plays a very important role in promoting regional development, competitiveness in the Member States, innovation and a range of strategic funding initiatives. Over the last 20 years, the Peloponnese region in Greece has benefited significantly from these programmes, particularly in the manufacturing sector. This work aims to examine the contribution of European programmes to the economic transformation and development of the Peloponnese, focusing on the manufacturing industry in the region.

European programmes play a crucial role in the transformation of the manufacturing sector in the Peloponnese region, providing financial support and promoting a culture of innovation and sustainability, where these programmes have enabled significant economic growth. The region continues to benefit from European Union funding and is well positioned to achieve further growth and competitive advantage

in the global market. The lessons and successes achieved in the Peloponnese can serve as a model for other regions that wish to reap the benefits that the European Union offers through integration and support. It focuses on innovation, sustainability and competitiveness, while continuing to thrive and contribute significantly to the economic development of Greece. Future programmes should continue to address the specific needs of the region, while ensuring that the manufacturing sector remains a key driver of economic growth [1]. In conclusion, the European Union's commitment to regional development through various funding programmes has a profound impact on the Peloponnese, [2].

Keywords: European Union. Funding Regional, Development Competitiveness, Innovation Manufacturing, Industry Economic, Growth Peloponnese, Region Industrial, Transformation Sustainability, NSRF Programmes

Theoretical Framework

Manufacturing industries are industries that transform goods, but also involve the repair and installation of industrial equipment and subcontracting work for third parties. The industrial manufacturing sector, as well as the metals and packaging sectors, are largely affected by globalization and the economic downturn in Europe, while emerging markets pose new challenges in terms of competition and opportunities for growth [3].

The manufacturing industry is a key sector in many national economies and contributes to the creation of sustainable economic growth. At the same time, it is a sector that is sensitive to domestic and external impacts that lead to fluctuations in the business cycle [1]. In recent years, the manufacturing industry has undergone rapid changes. Rapid technological developments and globalization processes create new types of goods and services and new types of business models for their delivery. Data

confirm that production and exports are directly linked to fluctuations in GDP and the business cycle and contribute to recording new trends for increasing the competitiveness of the sector [4]. The manufacturing sector has a significant impact on all dimensions of sustainable development - economic, social, environmental and institutional. On the other hand, its development is determined by the development of trade and global competition, the availability of raw materials and energy, technologies and innovation, the structure of the workforce qualifications and their skills, and others [5].

The Manufacturing Sector in Greece

The manufacturing sector in Greece, despite its smaller share in the economy compared to the European average, continues to play an important role and has a significant impact, both in terms of economic production and social cohesion, due to strong multiplier effects.

More specifically, in the period 2000-2020, the share of the manufacturing sector in the GDP of the Greek economy was significantly lower than the corresponding average of the European Union (Chart 1-1). Regarding the annual percentage increase in the added value of manufacturing in Greece, it seems to be significantly lower than that of the European Union with the exception of the period 2000-2003. From 2008 to 2016, and especially the years 2010-2013, the period during which the crisis peaked. On the contrary, from 2017 to 2020, the growth rates of the sec-

tor's added value in Greece significantly exceed the corresponding rates in the European Union (Chart 1-2).

The Manufacturing Sector in the Peloponnese Region

The Peloponnese is characterized by a diverse landscape of mountains and fertile plains that make it one of the leading producers and exporters of agricultural products in Greece. The region cultivates selected food products that have gained international recognition, while it is a major producer of fresh and processed fruits, especially citrus fruits [6]. The Peloponnese Region attracts significant foreign and domestic investments (32% of Greek FDI) mainly due to its proximity and good highway/railway transport connection with Athens, advanced infrastructure networks, and natural resources. As a result, a number of larger companies in sectors such as Coke and refined petroleum products and metal products are based in the prefecture of Corinth due to its proximity to Athens. In the rest of the region, the most important sectors in terms of employment are food and beverages, wood and cork products and other non-metallic mineral products. In addition, Megalopolis is the second most important center of electricity production in Greece [7].

The total gross value added of the Peloponnese Region increased by 25.6% from 5.71 million euros to 7.17 million euros, compared to a corresponding increase of 25.8% in the country as a whole, from 126.18 million euros to 158.76 million euros (Chart 1-3).

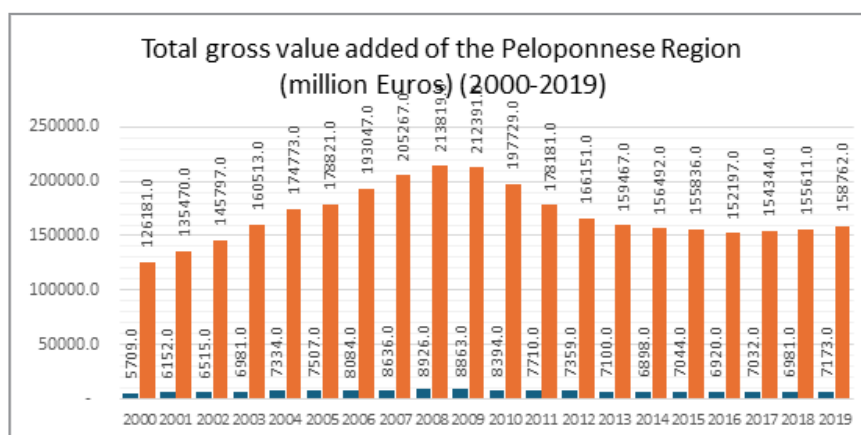


Chart 1 2 Total Gross Value Added of the Peloponnese Region (Million EUROS) (2000-2019)

Source: ELSTAT (2021,2022a) [8, 9], KEPE (2019) [10]

The Importance of the NSRF Programmes for the Manufacturing Sector

The manufacturing industry is a strong asset for the European economy and an important driver of employment and prosperity. According to the most recent data from the European Commission, the manufacturing industry plays a key role in research and innovation, as it is responsible for 64% of private sector R&D expenditure and 49% of innovation expenditure in Europe. The manufacturing sector represents 2 million enterprises (around 1 in 10 of all enterprises in the non-financial business economy of the EU-27), generates €2,078 billion in gross value added and created 32.1 million jobs in 2019 in the European Union (including 14.5 million jobs in advanced manufacturing) [2].

More specifically, the European subsidized Programs in the manufacturing sector that will be analyzed in the upcoming PhD, aim at the following fields (Competitiveness, Entrepreneurship and Innovation, National Strategic Reference Framework 2014-2020):

- Strengthening the competitiveness of Greek businesses in the domestic and international markets through investments.
- Moving manufacturing activity towards sectors and products with higher added value.
- Developing opportunity entrepreneurship and establishing new businesses in the manufacturing sector.

- Strengthening the role of manufacturing services in the production system, focusing on investment plans to strengthen the presence of Greek manufacturing businesses in the domestic and international market.
- Developing new products or diversifying products towards sectors with high added value with a focus on upgrading, standardization, and certification of Greek products.
- Improving the business base in sectors that are lagging behind or operating under outdated forms of entrepreneurship.
- Developing innovation and new technologies.
- Maintaining existing jobs and creating new jobs in businesses under establishment.

Research Objectives

The main research objective of this proposal is to investigate the contribution of the programs to the economy, through the implemented approved investment proposals submitted during the period under consideration 2000-2020 [11-14]. The secondary research objective is to examine the requirements created through the incentive to obtain additional points in order to approve a proposal, setting parameters such as energy saving, innovation, etc., contributing to its maintenance in the market and the protection of the environment subsequently [15-18].

Research Method

The research methodology provides for the examination of European Programs (National Strategic Reference Framework) that strengthened the manufacturing sector of businesses in the Peloponnese Region. More specifically, the following programs will be examined:

1. The Community Support Framework 2000-2006 (3rd CSF)
2. Operational Program Competitiveness and Entrepreneurship (OPC II), within the framework of the (National Strategic Reference Framework 2007-2013).
3. European Programs 2014 – 2020 - Operational Program Competitiveness – Entrepreneurship – Innovation.
4. Programs “Youth Entrepreneurship” and “Women’s Entrepreneurship”
5. Closing of the Programming Period 2007-2013.

The Programs will be presented and their contribution to the development of the manufacturing sector in the Peloponnese Region will be assessed, taking into account the effects of the 2008 crisis.

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