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Works cycle B

Task Force TF B3

"Regional approach of the Policy for the Transition of Businesses to Digital Economy"

Executive Summary of Deliverable

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Work case

Thessaloniki and Central Macedonia is a region of the country which is considered to be and is a financially powerful region as compared to many other regions of the country. However, at the same time it faces all geographic and other challenges of the areas outside the powerful capital core.

For the above reasons the Thessaloniki task force suggested to the e-business forum, within the framework of task force B3, a debate on the balanced development of the Regions and their businesses, so as to achieve the more efficient and effective use of available resources and new technologies in their transition to the New Economy.

Objective of the task force

Thus, the objective of this task force is **to process and generate a final work text containing the main points- priorities for the efficient transition of regional business communities to the e-business era.** Of course, it would be more than just a wish, if it could overcome its local character and attempt to reach conclusions applicable to any region of Greece, so that such results can, always by analogy, have a wider use, and are not restricted to Thessaloniki or Central Macedonia.

It is a wide but also specific objective. The success of the task force shall be determined by the specific works framework to be established in the beginning, and of course by the issues to arise within such framework. Therefore, the issues that could be discussed or lead to further specialization in some of them, include:

Issues

The task force has discussed the following issues:
1. **Development**. Policy for the development of businesses (government and the EU). Economic and other criteria.
2. **Reinforcement - Decentralization**. Reinforcement of structures, procedures, institutions both regionally and locally.
3. **Information - Dissemination**. Dissemination of information by decision making centers to the region, and even more locally.
4. **Training -Manning**. Training and the possibility to man regional businesses.
5. **Technological - Telecommunications Infrastructures**
6. **Logistics**. Logistics issues in the regions (infrastructures, methodology, etc.).
7. **Exports and technology**. The part of technology in the reinforcement of the exports of regional businesses.
8. **Institutional Framework**. Institutional and similar issues concerning the development of e-business in the regions. The importance for the regions and progress in the institutional framework.

Participants

In the task force participated **collective bodies,** professional and non professional, as well as **businesses** or **individuals** wishing to contribute to the production of the work text with the above contents and objective. There is an annex listing all participants; **a total of** sixty nine **(69).**

The task force contribution to the issue

Final Deliverable
In the final deliverable, the task force drafted a text presenting at first a theoretic approach to the issue, focusing on the importance of regional development for Greece, as well as on the importance of e-business for regional development. Next is given the current situation with regard to the issue. A presentation shall be made of the situation in the EU, in Greece, and in Central Macedonia, specifically. The various e-business and business issues shall be presented, as well as those concerning political initiatives and actions regarding the issues to be discussed. Next, there is a detailed presentation of the task force conclusions. This presents the results of the survey, as well as the conclusions that arose from the discussions and the minutes of meetings. Lastly, a summary is given of the suggestions of the task force for resolving the problems and promoting solutions for the development of regional businesses in e-business.

Main Conclusions
1. The regions of Greece face many problems relating to the SMEs, more specifically: The regional digital disparities among the EU Member States, as well as the intraregional digital disparities and gaps observed in Greece, have been recorded and pointed out in many relevant surveys and studies. In most of the country's regions, as well as in Central Macedonia, SMEs lag significantly in penetrating into e-business, as compared to the penetration rates in Attica, and mainly to the average penetration rate in the EU, mostly noted in the North, and in particular in the Nordic/ Western Europe Member States.
2. It is considered absolutely necessary that regional businesses, and the SMEs in particular face globalization and be integrated in the emerging new economy, which has new business activity principles, hence providing new challenges and opportunities.
3. The main problems arising, among others, are:
   - Inadequate information and dissemination of information to the SMEs regarding the e-business and new economy issues;
   - Lack of sufficient and accessible appropriate human resources to be employed by the SMEs.
   - Very low awareness, know-how, business readiness levels, even total lack of strategy or vision in SMEs executives concerning e-business. A serious cause of all these is low penetration in e-business due to mistrust about the actual results, as well as an unclear perception of the immediate benefits of e-business.
   - An unclear institutional framework concerning e-business, as well as insufficient or inefficient financial incentives for strengthening regional SMEs in e-business by the central or regional government.
   - Serious shortage of existing technological infrastructures in SMEs for immediate transition to e-commerce and immediate and substantial use of the benefits and incentives the government and the EU provide.
   - The part of professional organizations and business associations, as well as of other entities and organizations related to the SMEs in one way or another is important, without having yet managed to play the part of supporters of and determining factors for e-business. Lack of coordination among such entities for achieving synergies and determining guidance to the SMEs is one of the causes and the problems.
   - Inefficient connection of the research and academic project with the market and businesses, especially with regard to issues relating to the new economy, not only technology but also the new administrative business models.
   - Shortage of critical mass of opinion leaders that actually know of and diffuse e-business.

4. The solutions that are suggested as necessary are:
   1. Delivery of training and education, as well as provision of consultation to SME executives.
   2. Dissemination of information: Information about and promotion of successful attempts: advertising campaign – good examples;

3. incentivation (financial, institutional, and employment incentives);
4. setup of new or the strengthening of existing public or other entities with central competencies;
5. promotion of change in corporate mentality and culture – environment;
6. Development and promotion of information systems software for the data and meeting the needs of regional SMEs and adapted to the needs of the e-business markets and principles.

Brief presentation of the Task Force Proposals and Suggestions

1. Awareness raising and information campaign at central and regional level organized by the state and competent authorities.
2. Design and implementation of special training programs, adapted in practice to selected SME executives.
3. Higher subsidies from the central public and/ or regional administration to reinforce Internet penetration.
4. Creation of One-Stop-Shops to solve the problem of easy and quick access of businesspeople to information about e-business related issues, as well as about the subsidies or other incentives available to the SMEs.
5. The recording of all authorities related to e-business and the SMEs, as well as of all existing tools and methods is considered a prerequisite for the efficient creation of a structure to support the SMEs as described above.
6. The task force recognizes the determining part that chambers, as well as professional and SMEs associations can play with regard to the Regions.
7. All existing regional operational programs must be used, as well as private consultant companies that have experience in many e-business related issues.
8. Within the spirit of the previous remark, the efforts of Collective e-commerce Internet Hosts, where these already exist and operate, must be strengthened.
9. The purchase of software by the SMEs, specially developed for e-business and the SMEs and that reinforces the creation of business clusters should be subsidized.
10. Businesses should be particularly reinforced so that they change their administrative and organizational business model.
11. Within this rationale, specific incentives should be provided for subsidizing the employment of specialized high rank personnel that shall be able to be employed in the SMEs, even on a part-time basis.
12. Priority should be given to clearing and simplifying the relevant legislative provisions regarding the various aspects of e-business, such as the ones on electronic contracts, the keeping of invoices in electronic media, as well as provisions concerning the transnational trading of intangible goods, as well as the constitution of virtual/ electronic businesses.
13. The government should examine the possibility of providing fiscal incentives for the application of e-business, equivalent to those of TAXISNET, and many more.
14. More business plans should be subsidized, especially those concerning e-business for SMEs, as is already being planned under the 3rd CSF.
15. An Internet host should be created with a mechanism to record knowledge by Region, so that best practices are disseminated and problems are avoided.
16. Creation of a critical mass of opinion leaders, that shall get to know and actually believe in e-business.