



The Future of Telecommunications and Postal Services in Greece

by Kostas Hatzidakis, Minister of Transport and Communications

I was reading the most recent measurements of the Eurobarometer with regard to the use of the Internet by E.U. citizens. Our country is first in the 27- European members, with a population percentage of 58%, who say that no-one in their family is interested in the Internet. It is also first, together with Portugal, with a 16% of citizens, who reply that they don't even know what Internet is.



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Minister of Transport and Communications

We must take this data very seriously into consideration! There is no doubt that many significant steps have been taken in the field of broadband during the past few years. In March 2004, only 0,1% of the population used fast Internet and this at a high cost that exceeded € 90 per month. In August 2007, broadband penetration reached 7,5%, with a parallel drop in the monthly cost of broadband connections at a rate higher than 85%.

But this is not enough for us. We can achieve more and we want more. And we must focus mainly on providing service to the citizens and familiarizing them with new technologies, so that they will be able to enjoy the benefits of the new digital era. The Ministry of Transport and Communications (MTC) is moving in this direction. For this reason we set the National Telecommunications Strategy, in order to create sound infrastructures that will support the new technologies. In other words, we are coordinating the actions that are derived from different organizations – private

and non private – so that broadband may reach all citizens, even in the remotest places in Greece. At the same time, by defining the framework and clearing the scene with the National Strategy we are facilitating investments, both from abroad as well as from inside the country, in a sector with a high driving force, where particular know-how is required.

There is a number of measures, which have either already been applied or have been planned to come into force in the immediate future. One first measure is to aid with € 44 million the broadband services provided to citizens by companies. In addition, we are boosting entrepreneurship by funding approximately 770 wireless broadband access points (Wireless Hotspots) in nearly 400 companies. Next comes the transition of our country to the next generation fiber optic networks. Our objective is to bring optical fibers to every single house (Fiber to the Home). A project that will make Greece a leader in broadband in Europe.



Modernization and increased competition are also our guidelines in the postal services sector. We will soon be completing the drawing up of the new Strategic and Business Plan for ELTA for the period 2008-2013. If ELTA's Strategic Plan for the period 2004-2007 was centred on the modernization of infrastructures, the Strategic Plan for the period 2008-2013 will focus on developing and boosting the company's competitiveness, so that ELTA can play a leading role in the market. And we will achieve this with proper planning.

The largest investment programme in the history of the Hellenic Post is heading towards completion. It includes a series of infrastructure projects with a total budget of over € 250 million, out of which € 87 million was granted by the State in 2006 by the relevant increase of the share capital, whereas another € 80 million were made available from Community resources.

This was followed by a study for the operational replanning of ELTA which began and is expected to be completed within the first semester of 2008. This project aims in taking full advantage of automation and the new technologies. The automated Attica Sorting Centre has already been in operation since the spring of 2007 and is the largest automated Correspondence Sorting Centre in S.E. Europe. This is the largest investment in ELTA's history. The equivalent centre in Thessaloniki is in pilot phase, whereas the automated Sorting Centre in Patras is expected to be operative by the spring of 2008. At the same time, the automation of the ELTA stores network throughout the country will be completed within the next few months, as well as the extension of the Integrated Information System for Economic and Management Applications. We are talking about the full computerization of the largest retail network in the country with modern compu-

ter equipment and on-line transactions.

The focus of our planning both for broadband as well as for postal services is to provide the best services to the citizens. To this end, both the role of the universal service provider, as well as that of the regulatory authority is very significant; because the core of a healthy development in the communications sector is the correct functioning of the market. A truly deregulated market which, as long as it operates in accordance with the rules and regulations of national and Community legislation, has unlimited possibilities and space for all those companies that offer quality services to the benefit of the consumer.

It is important to keep in mind that the new technologies sector is a great challenge for Greece. It is an opportunity that we should not miss. The wide use of new technologies should constitute a new collective goal which –after the Economic and Monetary Union (EMU) and the Olympic Games– will be the spark that will mobilize all the forces in the country. Other people are not more charismatic than us. Denmark, for example, in 2000, set as its primary goal to become the first country to take full advantage of the new technologies. Today it has almost achieved its goal, with spectacular results for its citizens, companies and for the competitiveness of the entire country. We, too, are able to achieve this, as long as we believe in our strengths and work systematically and effectively.

