



MARKET CONTROL: GREECE – BULGARIA

PROMOTING:
“STANDARDISATION / CERTIFICATION / MARKET CONTROL”
IN THE INTERREGIONAL AREAS OF THE INTERREG
COMMUNITY INITIATIVE OPERATIONAL PROGRAM



SEVE
GREEK INTERNATIONAL BUSINESS ASSOCIATION



European Territorial Cooperation Programme
Greece-Bulgaria 2007-2013
INVESTING IN OUR FUTURE

The Programme is co-funded by the European Union (ERDF)
and National Funds of Greece and Bulgaria





Dr. Anastasios Alexandridis
Executive Vice President – Project Manager

**Greek International Business Association
(SEVE)**

Haskovo
15/02/2013



About SEVE (Greek International Business Association)

✓The **Greek International Business Association (SEVE)** was established in 1975 as a non-profit organisation and is currently the largest association of exporting companies in Greece numbering more than 610 member - companies.

✓**SEVE's mission is to** consolidate, protect and promote the professional, economic, social and ethical interests of its members:

- to promote and support Greek products in foreign markets
- to promote and support the development of international co-operation between Greek enterprises and those of other countries,
- to conduct market research in foreign countries,
- to collect and disseminate information and statistical data in order to inform its members,
- to cooperate with organisations worldwide and to implement European programmes that sustain the economic interests of its members.



Market Control: INTERREG Greece – Bulgaria

✓ **Market Control** Project, is co - funded by the European Union (ERDF) and National Funds of Greece and Bulgaria on the framework of the European Territorial Cooperation Programme “Greece – Bulgaria 2007-2013” under Axis 3. “Competitiveness & Human Resources”, Measure 3.3 “Promotion of Cooperation between research, technological and academic institutions and business organization”.

✓ The **overall objective** of **Market Control**, is to reduce the gap between the interregional areas in the field of effective Market Control, fostering the cooperating countries on their way to their European Integration, as well as to improve the level of Controlling Market and safeguarding of the merchandised commodities and enterprises in the cross border area.



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Project Background

- ✓ **Product / Services Certification** – A necessary precondition for promoting enterprise's extraversion, especially in EU Countries (Greece – Bulgaria)
- ✓ **Certification Constrains**- Certified Products from local Certification Organizations, are not being accepted from other foreign markets due to lack of compatibility (e.g. AGRO 2-1 & 2-2)

These constrains, lead to:

- ✓ **Risen Expenses** – Enterprises are forced to multiple Product Certifications
- ✓ A big **time delay** in entering new markets

All the above, lead to:

- ✓ A serious **cutback in Competitiveness**



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General Expected & Achieved Results:

With the promotion of common Quality Standards, Market Control achieves:

- ✓ Abolishment of Internal (EU) border control
- ✓ Cutback Technical Obstacles in the free distribution of products
- ✓ Legal harmonization concerning Product development
- ✓ Product development standardization
- ✓ Increased Product recognizability
- ✓ Increased product quality & product credibility with a competitive cost, leading to customer satisfaction
- ✓ Procedure simplification at all levels (constitutional – legal framework, production procedures) and more efficient & effective resource management (natural & human) leading to cost reduction
- ✓ Consumer and environment safety



Market Control Specific Project Results:

Deliverable 3.1.1 - Study and assess the most important sectors of the cross-border area

The study, focused, examined & analyzed the following:

✓ **The overall economic environment** of the cross-border area accompanied by the presentation of the basic qualitative and quantitative indicators of the region, such as Geographical - administrative features, Demographics, as well as **Structural Indicators** concerning General Economic Indices, Employment & Innovation and Research.

✓ Moreover, the Study examined and assessed **the most important sectors of the cross-border area:**

▪ **in terms of entrepreneurship:** Basic business ranking criterion of the enterprise sectors in the cross-border area, was the turnover of the industry, in order to present the industry's participation in the overall cycle of all sectors of the County



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Deliverable 3.1.1 - Study and assess the most important sectors of the cross-border area

- **in terms of competitiveness:** The basic criterion for competitiveness of business sectors, was the gross added value that they offer to the overall economy.
- **in terms of extraversion:** The basic competitiveness criterion, was the exports per industry ratio

Taking into account all the above, the study evaluated & selected **the most competitive and extroverted industries:**



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Deliverable 3.1.1 - Study and assess the most important sectors of the cross-border area

Greece:

Export interest and strong presence:

■ Primary Sector

✓ Agricultural Products

■ Secondary Sector

✓ Clothing

✓ Plastics

✓ Construction materials

✓ Food & Beverages

Bulgaria:

Export interest and strong presence:

■ Primary Sector

✓ Agricultural Products

■ Secondary Sector

✓ Clothing

✓ Textiles

✓ Chemicals

✓ Construction materials

✓ Food & Beverages



Deliverable 3.1.2 - Classification of business needs in terms of compliance marks according to specific criteria

- Exploration of the **Greek Cross Border Area Enterprises needs**, by conducting a **Qualitative & Quantitative Survey**:
- **Three (3) separate Cases examined**:
 - ✓ **Main Case – Cross Border Region**: The main part of the survey consisted of **714** firms in the cross border region which answered the questionnaire. The border region includes the counties of **Drama, Serres, Kavala, Rodopi, Xanthi and Evros**
 - ✓ **First special Case – Thessaloniki**: The county of **Thessaloniki** was examined **as an individual case**. The total number of the sample for the case of Thessaloniki was identified to **88** companies
 - ✓ **Second Special Case – Manufacturing Companies**: Research focuses on manufacturing companies with a strong export activity and are based throughout the whole cross border area. The overall number of the sample of manufacturing companies was **100**

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The second research focuses on the county of Thessaloniki (the first special) bearing in mind it is a neighboring area without physical boundaries but that strongly influences the entire border region being the business center of Northern Greece. This is the main reason it was decided to form a separate substudy. The size of turnover in the county of Thessaloniki in the total turnover of the border, and the corresponding added value to GDP is assumed to be multiple compared to other counties. This violates the representativeness of the sample and is sure to alter the validity of the results. The criteria for the stratification of the sample will be the total turnover by industry and the added value of GDP for each county.

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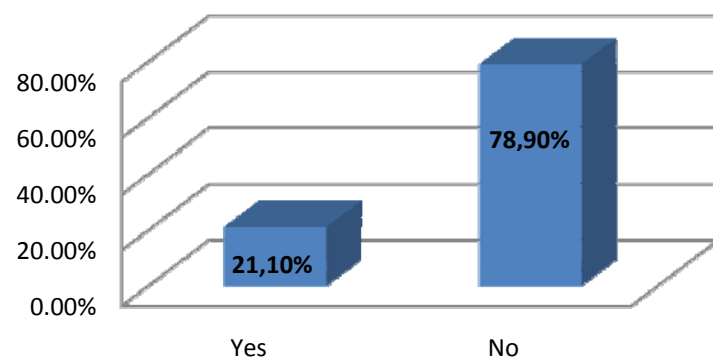


Key Research Results: Main Case – Cross Border Region:

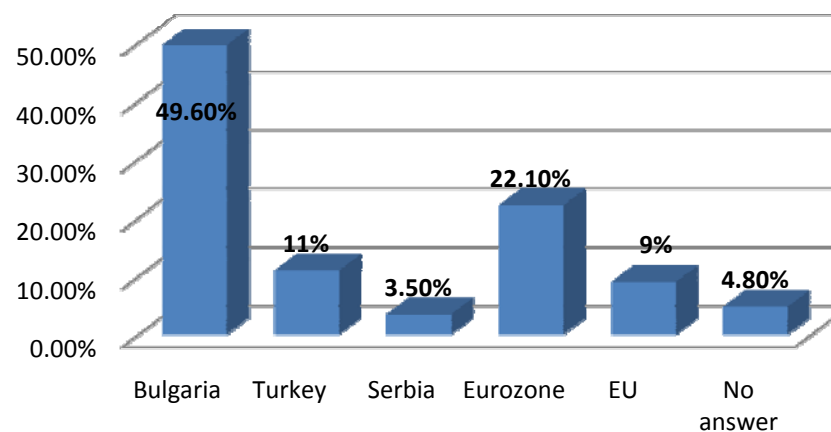
78,9% of the participating companies have no Exporting Activities

49,6% of exports end up in Bulgaria

Exporting Activity



Exporting Destinations





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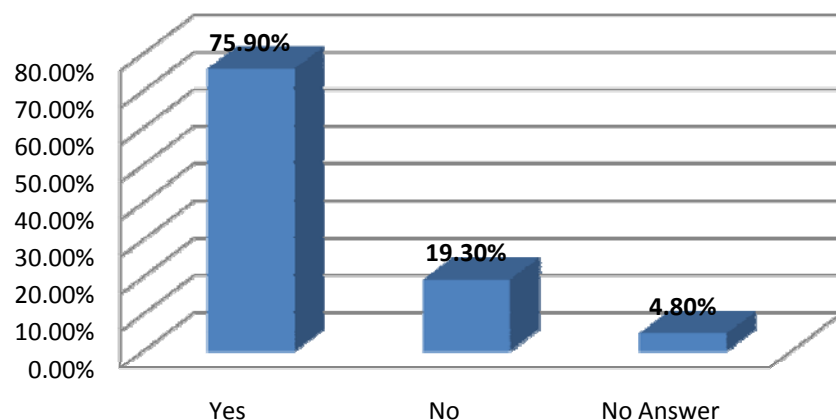


Key Research Results: Main Case – Cross Border Region:

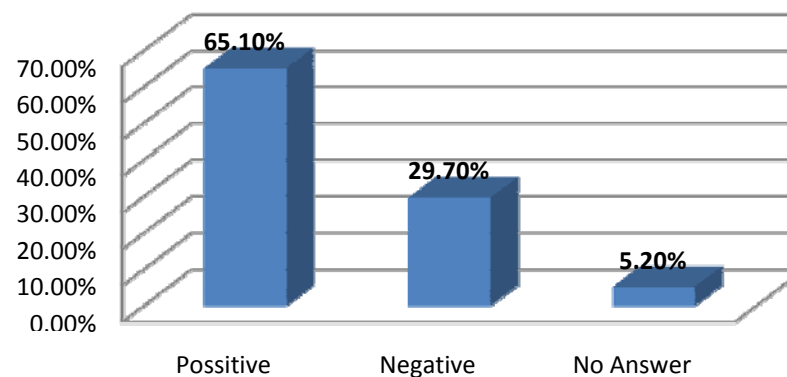
75,9% stated that developing products and services with common characteristics would contribute to the development of the cross-border region

65,1% believe that the adoption of common standards, specifications and conformity marks for products of the two countries will increase their externality and competitiveness

Development of products and services with common characteristics



Adoption of common standards, specifications and conformity marks for products of the two countries





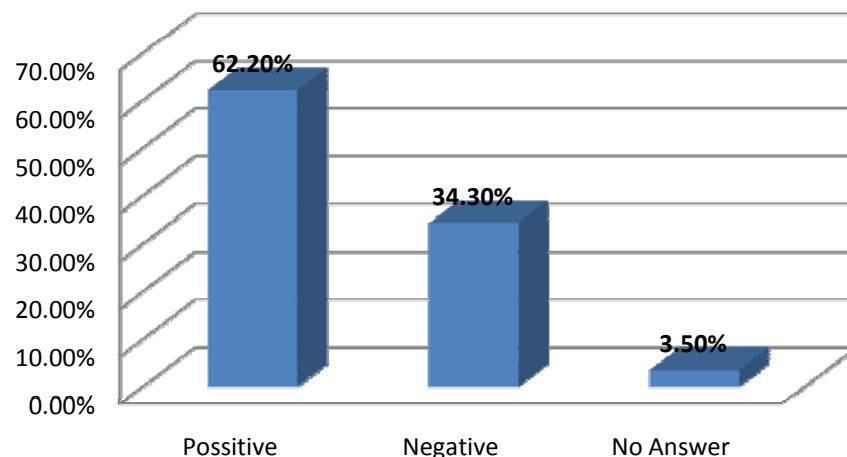
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Key Research Results: Main Case – Cross Border Region:

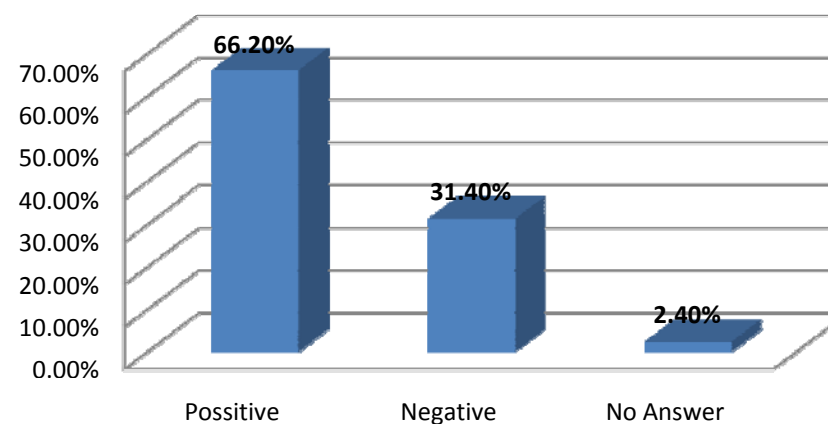
62,2% believe that the creation of a single body of certification and standardization for market testing and certification of products, will contribute to the enhancement of healthy entrepreneurship in the region and business development

Creating a single body for certification – standardization



66,2% believe that the creation of laboratories for testing and control in the interregional area, would contribute to the strengthening of healthy entrepreneurship in the region

Creation of laboratories for testing and control in the interregional area

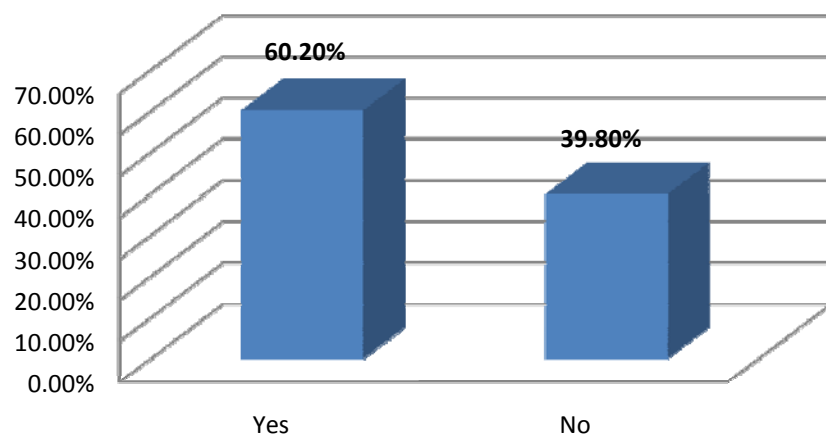




Key Research Results: First special Case - Thessaloniki:

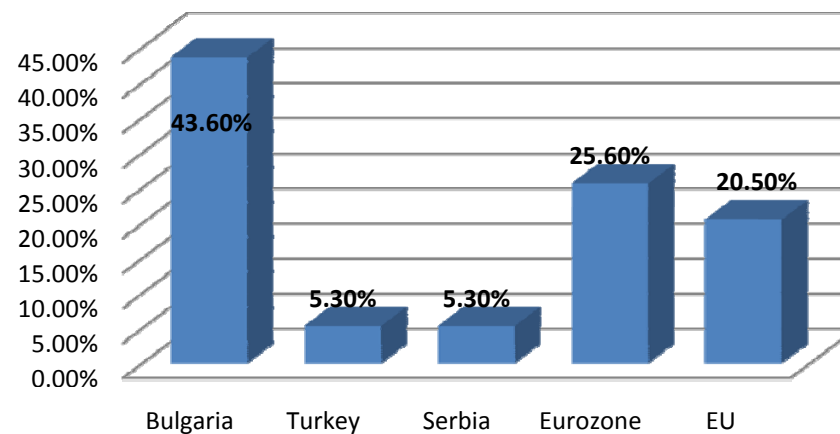
60,2% of the participating companies have Exporting Activities

Exporting Activity



43,6% of exports end up in Bulgaria

Exporting Destinations



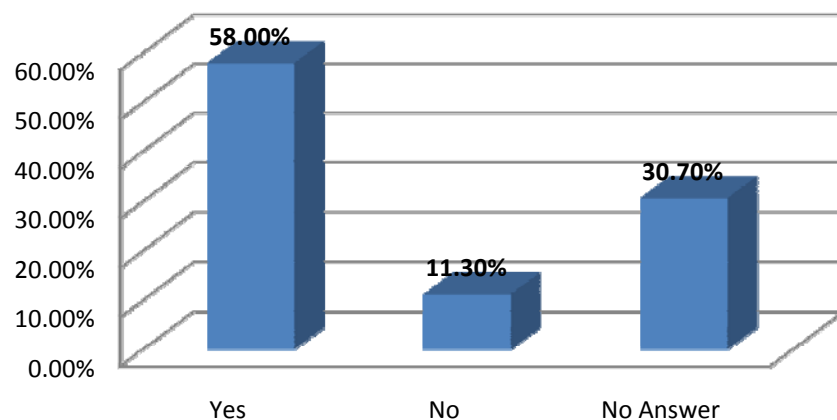


Key Research Results: First special Case – Thessaloniki:

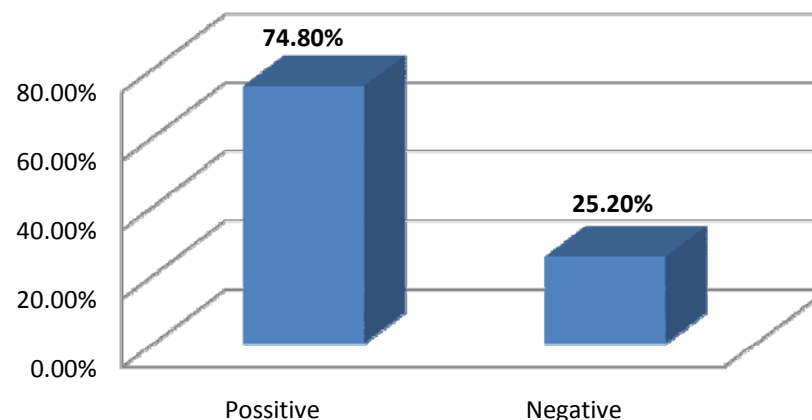
58% stated that developing products and services with common characteristics would contribute to the development of the cross-border region

74,8% believe that the adoption of common standards, specifications and conformity marks for products of the two countries will increase their externality and competitiveness

Development of products and services with common characteristics



Adoption of common standards, specifications and conformity marks for products of the two countries

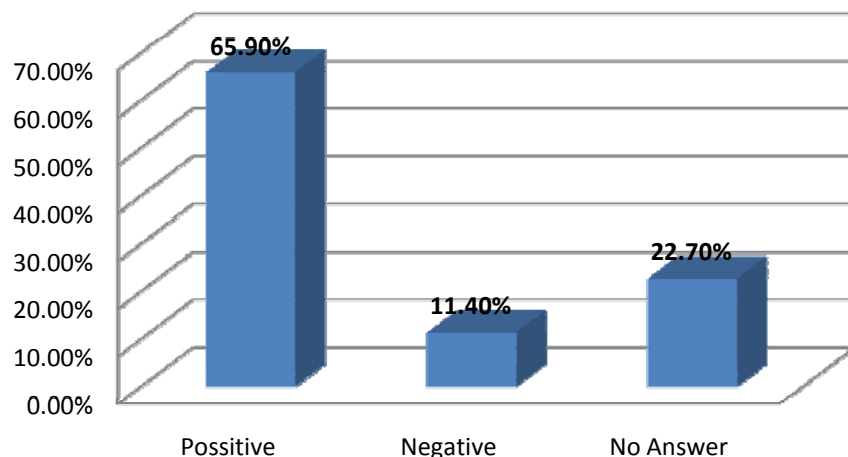




Key Research Results: First special Case - Thessaloniki:

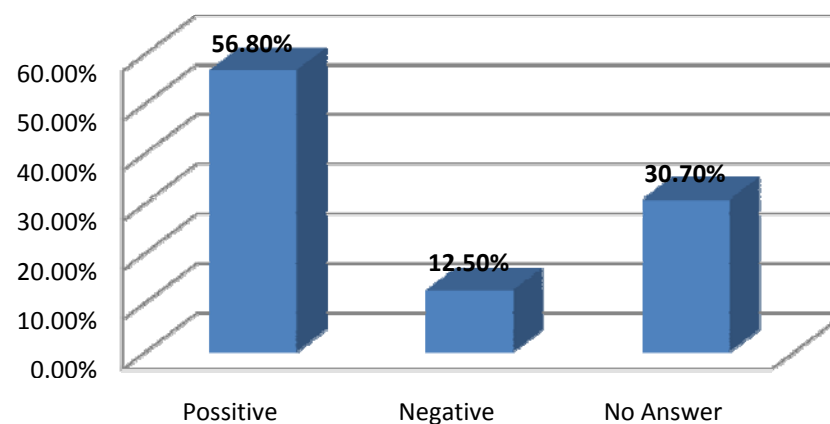
65,9% believe that the creation of a single body of certification and standardization for market testing and certification of products, will contribute to the enhancement of healthy entrepreneurship in the region and business development

Creating a single body for certification – standardization



56,8% believe that the creation of laboratories for testing and control in the interregional area, would contribute to the strengthening of healthy entrepreneurship in the region

Creation of laboratories for testing and control in the interregional area

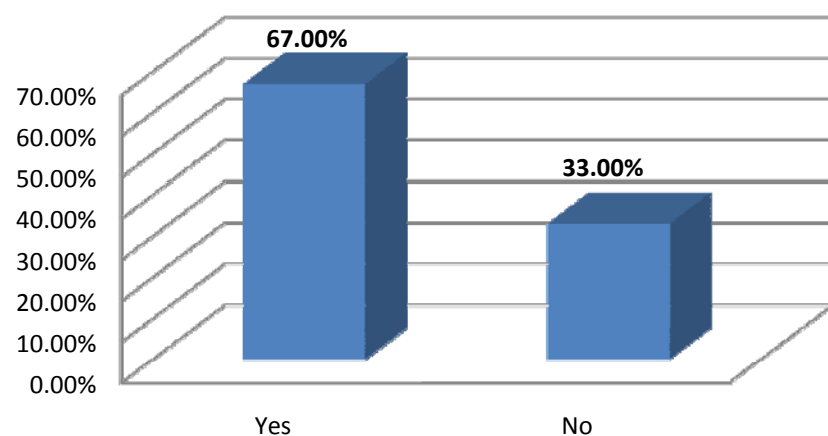




Key Research Results: Second Special Case – Manufacturing Companies

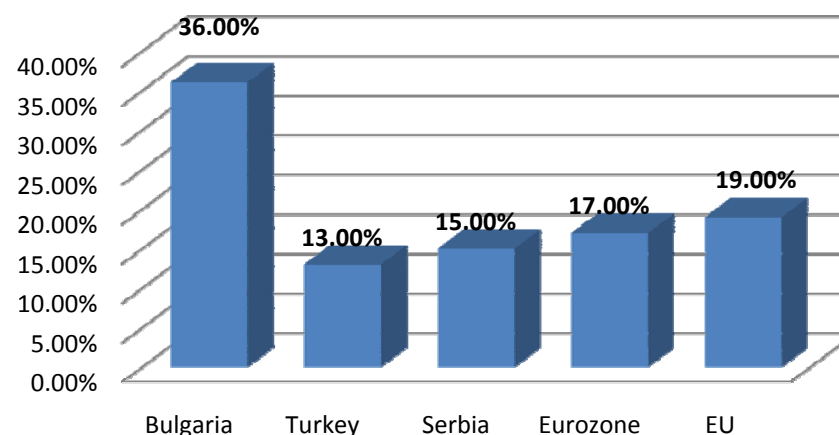
67% of the participating companies have Exporting Activities

Exporting Activity



36% of exports end up in Bulgaria

Exporting Destinations





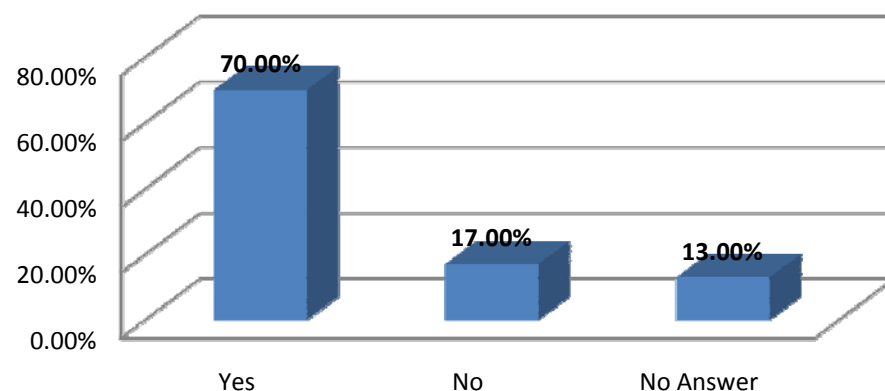
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Key Research Results: Second Special Case – Manufacturing Companies

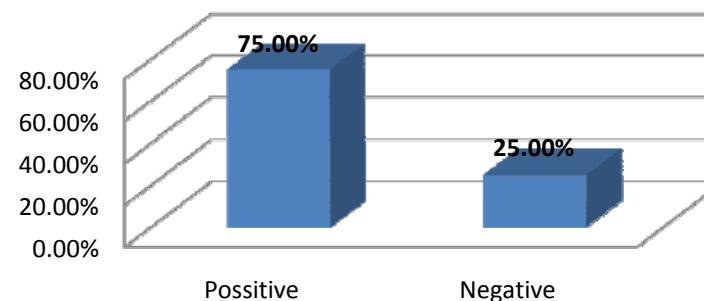
70% stated that developing products and services with common characteristics would contribute to the development of the cross-border region

Development of products and services with common characteristics



75% believe that the adoption of common standards, specifications and conformity marks for products of the two countries will increase their externality and competitiveness

Adoption of common standards, specifications and conformity marks for products of the two countries

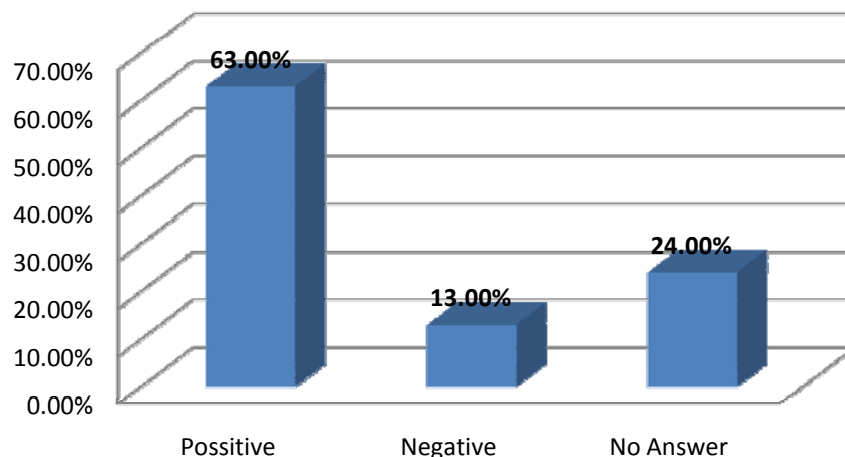




Key Research Results: Second Special Case – Manufacturing Companies

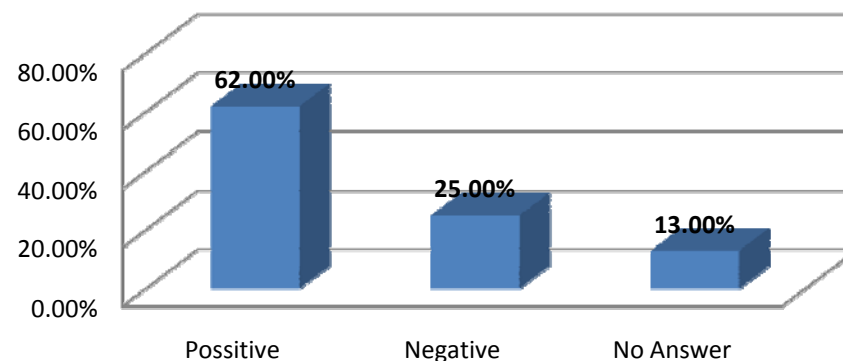
63% believe that the creation of a single body of certification and standardization for market testing and certification of products, will contribute to the enhancement of healthy entrepreneurship in the region and business development

Creating a single body for certification – standardization



62% believe that the creation of laboratories for testing and control in the interregional area, would contribute to the strengthening of healthy entrepreneurship in the region

Creation of laboratories for testing and control in the interregional area





Deliverable 3.2.1 –Business Plan – Roadmap for the development of a single body of certification and standardization

- The study examined and explored in detail, the possibility for creating a **Single Body of Certification and standardization** in the Cross Border Area. More specifically, the study investigated the following:

Cross Border Area external and internal environment:

- ✓The study examined the institutional & legal framework concerning Certification & Standardization (EU, Greek & Bulgarian institutional & legal frameworks) in order to determine any legal obligations of the new Certification Body
- ✓The study examined existing certification and standardization bodies in Greece & Bulgaria
- ✓The study examined the needs of the enterprises of the Cross Border area, in relation to certification and standardization requirements



Deliverable 3.2.1 –Business Plan – Roadmap for the development of a single body of certification and standardization

Determination of the strategy of the Single Certification Body:

- ✓The study analysed the vision, the mission & the long term strategic goals

Detailed Description of the Single Certification Body:

- ✓The description included the Body's legal identity, geographical position, activities & provided services, as well as the administrative and management structure

Viability Study for the operation of the Single Certification Body:

- ✓The study analyzed all the critical viability factors (e.g. expected income, expenses, infrastructure costs etc), in order to determine under which circumstances the Certification Body could operate profitably



Deliverable 3.2.2 –Business Plan – Roadmap for the development of Testing Laboratories in the Cross-Border Area

- The study examined and explored in detail, the possibility of creating **Testing Laboratories** in the Cross Border Area. More specifically, the study investigated the following:

Cross Border Area external and internal environment:

- ✓The study examined the institutional & legal framework concerning Testing Laboratories (EU, Greek & Bulgarian institutional & legal frameworks) in order to determine any legal obligations of the new Laboratories
- ✓The study also examined in detail the Management System for Accreditation of Laboratories (specifically the adoption of the mandatory **ISO 17025** Standard)
- ✓The study examined the needs of the enterprises of the Cross Border area, in relation to Testing Laboratories (e.g. which kinds of testing are more necessary)



Deliverable 3.2.2 –Business Plan – Roadmap for the development of Testing Laboratories in the Cross-Border Area

Determination of the strategy of the Laboratories:

- ✓The study analysed the vision, the mission & the long term strategic goals

Detailed Description of Laboratories:

- ✓The description included the Laboratory's legal identity, geographical position, activities & provided services, as well as the administrative and management structure. It is proposed that the Laboratory should be comprised of the following sub-Laboratories:

Construction Products Laboratory, Plastic & Textiles Laboratory, Food & Agro Laboratory including Chemical and Microbiological Laboratories.

Viability Study for the operation of the Laboratory:

- ✓The study analyzed all the critical viability factors (e.g. expected income, expenses, infrastructure costs etc), in order to determine under which circumstances the Laboratories could operate profitably



Deliverable 3.2.3 –Business Plan – Roadmap for the development Roadmap of Common Specifications and Quality Marks for Specific Products for the Cross-Border Area

- The study examined and explored in detail, the possibility of developing **Common Specifications and Quality Marks for Specific Products** for the Cross-Border Area. More specifically, the study investigated the following:

Cross Border Area external and internal environment:

- ✓The study examined the institutional & legal framework concerning Common Specifications and Quality Marks (EU, Greek & Bulgarian institutional & legal frameworks) in order to determine any legal obligations concerning the development of Common Specifications and Quality Marks
- ✓The study also examined in detail the existing Common Specifications and Quality Marks in Greece & Bulgaria, together with any existing communal Specifications and Quality Marks



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Deliverable 3.2.3 –Business Plan – Roadmap for the development Roadmap of Common Specifications and Quality Marks for Specific Products for the Cross-Border Area

Determination of the Specific Products taken under consideration:

✓The study determined & analysed the three (3) chosen Specific Products. The products were selected, taking into account the results of the previous deliverables (products with strong extraversion, enterprises' needs etc.).

The three selected Products are:

- ☐ From the Food Sector – **Dairy Products**
- ☐ From the Construction Sector – **Cement Production**
- ☐ From the Plastics Sector – **Plastic Tubes Production**



Deliverable 3.2.3 –Business Plan – Roadmap for the development Roadmap of Common Specifications and Quality Marks for Specific Products for the Cross-Border Area

Analysis of the Specific Products taken under consideration:

✓The study analysed the three (3) chosen Specific Products in both Greece & Bulgaria, in terms of market analysis, as well as in terms of existing Common Specifications and Quality Marks

Determination of the new Common Specifications and Quality Marks:

✓The study determined the strategy for the development of the Common Specifications and Quality Marks as well as the benefits that will occur for their development

Strategy for promoting the new Common Specifications and Quality Marks in the Cross Border Area:

✓The study examined the strategy that should be followed for the promotion of the new Common Specifications and Quality Marks



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Thank you for your attention

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