

October 6, 2020

Ref. no: 329/E.E.

Kyriakos Mitsotakis, Prime Minister, Hellenic Republic

Dear Prime Minister,

We, the signatories of this letter, would like to thank you for your work in developing a considered plan for Greece's development. As this plan is now being finalized, we wish to share some thoughts that we hope can be integrated in its final version.

We all appreciate the need to promote investments that can revitalize the Greek economy and believe that development and environmental protection must work hand in hand. That said, we are also concerned that the excitement with investments being pushed through (especially in tourism and energy) may inadvertently undermine Greece's long-term financial, social and environmental prospects.

We are concerned that Greece should maintain its comparative advantage in tourism, which is currently at immediate and severe risk. We should not encourage large-scale tourist development projects, in environmentally sensitive and culturally rich areas such as small Aegean islands, as opposed to encouraging tourism development around existing settlements or reviving withering villages that could reinvigorate local economies. Moreover, we are concerned with ongoing degradation of the natural and built environment as exhibited at its worst in Costa Brava, whereas better managed Mediterranean regions, such as Tuscany, should be the model for Greece.

While studies on Greece's prospects have repeatedly emphasized the potential value of alternative forms of tourism, we see few measures to support this aim. Such tourism has a longer season, attracts higher-income vacationers, is more connected to other sectors of the local economy (such as primary production), and is also more likely to engage smaller local entrepreneurs (as with agritourism). Additionally, rambling / trekking, diving and to some degree yachting are sustainable for larger portions of the year.

For all these, Greece's nature preservation areas, such as those in the NATURA network (27% of the country's land area), are of crucial importance. We recommend no investments with a heavy environmental footprint should be permitted in such areas until the necessary management studies, now at last under way, are completed. These should have been completed, as per the EU regulation, in 2006 but will instead be finalised by end 2021 and we shall then know where investments may be sited in NATURA areas. We are delighted to see that, after ignoring this EU regulation for fifteen years, the Greek state is now preparing to comply, in the country's true interests. This is part of a broader issue of acquiring a robust and consistent strategy for tourist development, based on local capacities and needs. We need to ensure we can accommodate various forms of tourism and preserve areas and issue permits accordingly, to avoid an inchoate set of investments which will undermine the long-term identity of each tourist destination and of Greece overall, let alone the natural and built environment.



The EU Support Package, with its emphasis on Green growth, provides an opportunity to guide the development of tourism in the required direction. Despite its importance for the economy and the environment, Greece lacks a coherent tourism strategy, whether short, medium or long term. We urgently need to develop one, which will boldly redefine our target, away from mass vacations for a few summer weeks (which must be accommodated, but from now on as secondary) towards long stays including second homes, retirement homes, integrated resorts, such as Costa Navarino and others, and alternative forms of tourism, all of which would be of great benefit to the economy overall.

Greek islands like Mykonos and Santorini are already saturated or close to saturation and overdevelopment in small islands risks imposing similarly dramatic costs, so we need to manage capacity and direct tourism development accordingly, moving rapidly from an emphasis on low skill service provision and mass use of beaches with unfettered spread of sunbeds for a short season, towards sustainable forms of tourism with higher added value, some described above. This will require planning, ongoing coordination of all stakeholders involved and infrastructure improvement - not least as to sewage, which is often planned on the basis of the permanent rather than the actual population in the tourist season, and if dumped into the sea is disastrous for quality of life and the region's image alike.

Second, we need to consider the impact of broader policies that affect the viability of Greece as a destination for vacationers and part-time residents. This brings us to a praiseworthy initiative of the government, which, we believe, has significant strategic implications. In most countries in Europe, whether they focus on tourism or not, there are no blanket permissions to build, and zoning restrictions are religiously observed. In Greece, "εκτός σχεδίου δόμηση" was encouraged to deal with a dramatic shortage of housing in the post-war period but is no longer justified. We therefore congratulate the present government, which, to its credit, is attempting to create a healthier balance. Similarly, we recommend the government give priority to cars powered by clean electricity for prosperous but polluted islands and to intensively employ European funds on reducing the ecological footprint of cities through bioclimatic design, improved insulation and use of shallow enthalpy for domestic cooling, heating and cooking.

Third, we suggest it is urgent to rethink the planning system in the light of EU and international best practice. The proper structure of national/regional/municipal plans has been effectively side-lined by reliance on special sectoral plans (e.g. for tourism, renewable energy sources, fish-farms etc.). These sectoral plans determine only where there is potential for a particular type of investment, e.g. solely the existence of strong winds for wind-farms, without taking into account other critical features, whether natural, cultural or touristic as is done eg in Belgium, Italy and Spain, with examples we would happily bring to your attention. The consequence is conflicting proposals as e.g. for fish-farms in areas also fit for touristic development or, windfarms on Milos / Kimolos which have substantial geothermal resources that could supply half the Cyclades with the cleanest possible electricity. When such regional features are ignored both ecological and economic damage follows.

While we are ardent supporters of renewable energy, the impact of wind-turbines on NATURA locations or areas of exceptional natural beauty need to be considered explicitly and related to other features of regional development. It would be inconsistent to install land-based windfarms in a region designated predominantly for trekking / rambling in undisturbed nature when there are a number of regions that can help generate renewable energy without adverse side effects that undermine current or future cultural, environmental and touristic resources. For instance the use of geothermal energy and development of offshore wind-farms in suitable locations, should be strongly encouraged.

A reformed planning system can also facilitate more effective civic engagement. Currently local authorities are consulted on regional but not sectoral plans since these cover the whole country. The risk here is that they suddenly discover they may themselves be victims of decisions based on sectoral plans about which they did not even know, let alone had been



consulted. Current practice is encouraging a negative reaction against investment proposals when we should be collectively addressing the tradeoffs between environmental preservation and development. We clearly acknowledge that this process must not cause undue delays, and we fully appreciate the risk of additional red tape in investment decisions. We do think however that we can improve on the current process without imposing undue costs or delays. A new balance clearly needs to be struck, since the current lack of balance is not working.

Finally, we believe there is an imperative need for better coordination. A number of disparate, individually laudable but generally unconnected efforts are under way (e.g., Repositioning Greece, the Bicentenary Committee), most of them focusing on the *image* of Greek tourism rather than on sustainability or experience on the ground. Even when systematic studies were carried out (as for Rhodes and Santorini, some years ago), these studies were never implemented. You will certainly draw on the knowledge developed by and competencies of existing organizations, such as SETE, but we suggest your primary focus should be on strengthening and creatively reorganizing EOT and the Ministry of Tourism. Particularly in the light of the urgent need to adapt to climate change, Greece needs to grasp the opportunity offered by the current EU support package, with its emphasis on sustainable development, to build the necessary competences at the central and support their development at the regional and local level. Whether through the creation of a new authority or the redesign of existing ones, Greece needs to tackle this challenge, head-on. This, we believe, can be done if one agency is explicitly charged to serve the *dual objective of supporting development while preserving the environment*. Be that EOT, the Ministry of Tourism or a new agency, you need to imbue such an agency with skills, resources and powers to be effective for this critical task, including engagement with local authorities and civil society.

To sum up, we trust you will prove able to avoid the mistakes of several past Greek Governments when short-cuts, in the absence of a strategic plan and, crucially, a credible way to push it through, ended up undermining growth and degrading the environment. Our letter identifies some important issues. We provide some initial suggestions for approaching them but appreciate this will require engaged consideration from many experts in planning, development, tourism, ecology, sustainability and organizational design to turn these suggestions into an actionable plan. Our intention has been to raise the issues in the belief your government has a most valuable role to play and can make a critical difference. We believe that a missing part of the draft Greek Economic Plan is a clear articulation of the need for a local development strategy, which balances tourism and the environment, by engaging the local population with central authorities.

With our thanks for your attention, and our assurance that we should be delighted to support your efforts in this direction.

Yours sincerely,

Lydia Carras

Audia Kappa

President, ELLINIKI ETAIRIA (Society for the Environment and Cultural Heritage),

Documentary Film Director

Michael G. Jacobides

Sir Donald Gordon Professor of Entrepreneurship & Innovation and Professor of Strategy, London Business School



Writers / Editors

Costa Carras, Founder, ELLINIKI ETAIRIA

Vassilis Fourlis, Entrepreneur

Phokion Potamianos, Venture Capitalist

Stathis Potamitis, Lawyer

Costas Stamatopoulos, Historian

Markos Veremis, President of Upstream, Partner of Big Pi Ventures

Signatories

Maria Adami Kardamitsi, Emeritus Professor, National Technical University of Athens

Christina Angelopoulou, Public Relations

Michael Bletsas, Director of Computing MediaLab, MIT

Nikiforos Diamantouros, Academician

Pavlos Eleftheriadis, Professor of Public Law, University of Oxford

Giannis Evangelou, Provincial Governor of Kea - Kythnos

Kevin Featherstone, Eleftherios Venizelos Professor of Contemporary Greek Studies & Professor of European Politics,

London School of Economics and Political Science

Gerasimos L. Fokas, President, Electra Hotels & Resorts

Paolo Grazioli Venier, Entrepreneur, Rome, Italy

Miltiadis Hatzopoulos, Academician

Maria Iliou. Screenwriter - Film Director

Pavlos Kalligas, Director of the European Cultural Center of Delphi

Stathis N. Kalyvas, Gladstone Professor of Political Science, University of Oxford

Eleftherios Karaiskos, Mayor of Amorgos

Alexis Kardampikis, Mayor of Agrafa

Paschalis Kitromilidis, Academician

John Kittmer, Independent Researcher

Filippos Laimos, Entrepreneur

Tassos Leventis, President, A.G. Leventis Foundation

Eleni Maistrou, Emeritus Professor, School of Architecture, National Technical University of Athens

Vassilis Marakis, Mayor of Sikinos

Konstantinos Markoulakis, Director - Actor

Thanasis Martinos, Shipowner

Marina Martinou, Shipowner

Ioannis Michail, Dr. Architect Urban Planner

Maria Emm. Nadali, Mayor of Sifnos

Giuseppe Notarbartolo di Sciara, PhD - Co-chair, IUCN Marine Mammal Protected Areas Task Force

George Pagoulatos, Professor of European Politics and Economy at the Department of International & European

Economic Studies, Athens University of Economics & Business; Visiting Professor at the College of Europe

Τοιπόδων 28, 10558 Αθήνα, · Τηλ: + 30 210 3225 245, + 30 210 3226 693, Fax +30 210 3225 240 e-mail: elet@ellinikietairia.gr, www.ellet.gr Μέλος/Member: Europa Nostra/IBI, Mediterranean Information Office for the Environment, Culture and Sustainable Development (MIO-ECSDE)



Ioannis Palaiokrassas, Former Minister of Finance and EU Commissioner for the Environment

George Panagopoulos, Mayor of Salamis

Elias Papaioannou, Professor of Economics, London Business School

Zoe Polymeropoulou, Education Consultant

Alexandra Prokopiou, Economist

Georgios Prokopiou, Civil Engineer – Entrepreneur

Konstantinos Revinthis, Mayor of Serifos

Michalis Sarantinos, Entrepreneur

Konstantinos Serraos, Urban Planner, Professor, National Technical University of Athens

Elsa Stamatopoulou, Program Director for Indigenous Peoples' Rights, Associate Professor, Institute for the Study of

Human Rights, Columbia University

Michalis Stasinopoulos, Executive Director, VIOHALCO

Maria Theofanopoulou, Entrepreneur

Thodoris Tzoumas, Mayor of Skiathos

Antonia Trichopoulou, President of the Hellenic Institute of Health, Emeritus Professor of the Medical School of the University of Athens

lason Tsakonas, Entrepreneur

Emmanuel Chr. Tsepelis, Mayor of Xanthi

Pavlos Tsimas, Journalist

Maya Tsoclis, Journalist

Loukas Tsoukalis, Professor at Sciences Po, Paris and President of the Board, ELIAMEP

Konstantinos Ventouris, Mayor of Kimolos

Thanos Veremis, Emeritus Professor of Political History

Barbara Vernikou, Entrepreneur

Paolo Vitti, Adjunct Professor, University of Notre Dame du Lac (Rome Global Gateway)

Themistoklis Vokos, Founder of Poseidonia

Panagis Vourloumis, Economist

Miranda Xafa, Senior scholar, CIGI

Yerassimos Yannopoulos, Lawyer, co-Managing Partner, Zepos & Yannopoulos

Dimitris Zepos, Lawyer, co-Managing Partner, Zepos & Yannopoulos

Christos Zerefos, Academician, Head, Research Center for Atmospheric Physics & Climatology Academy of Athens

Andreas Zombanakis, Entrepreneur



CC: Professor Sir Christopher Pissarides, Chairman, Expert Commission for Greece's Growth Plan Professor Nikos Vettas, Chairman IOBE, Deputy Chairman, Expert Commission Kostis Hatzidakis, Minister of the Environment and Energy Dimitris Oikonomou, Deputy Minister for Spatial Planning and Urban Environment Nikos Tagaras, Deputy Minister for Environmental Protection Adonis Georgiadis, Minister for Development and Investment Haris Theoharis, Minister for Tourism Theodoros Skylakakis, Alternate Minister for Fiscal Policy Akis Skertsos, Deputy Minister to the Prime Minister for Government Coordination Alex Patelis, Chief Economic Advisor to the Prime Minister