



ΙΔΡΥΜΑ ΟΙΚΟΝΟΜΙΚΩΝ & ΒΙΟΜΗΧΑΝΙΚΩΝ ΕΡΕΥΝΩΝ
FOUNDATION FOR ECONOMIC & INDUSTRIAL RESEARCH

*Roundtable discussion on EU competitiveness:
What's next for Greece?*

*Organized by the European Commission Representation in Athens,
in collaboration with
the Foundation for Economic and Industrial Research - IOBE*

Athens, 19 February 2025

Executive Summary

February 2025

The European Commission Representation in Athens, in collaboration with the Foundation for Economic & Industrial Research - IOBE, organized a roundtable discussion on EU competitiveness, on Wednesday 19 February 2025, (webpage: <http://www.iobe-ec-conference.gr/2025/>). The event was hosted by the European Parliament's Office in Greece.

This Executive Summary has been prepared by a team of IOBE researchers including Iason Zaverdinos and Georgios Gatopoulos, supervised by Nikos Vettas, General Director of IOBE and Professor, Athens University of Economics and Business. The judgments on policy proposals contained in this report express the opinions of researchers of IOBE and do not necessarily reflect the opinion of the members or the Board of IOBE nor of the European Commission.

The researchers would like to thank officials from the European Commission, the European Commission Representation in Athens and the European Parliament's Office in Greece for their valuable support and collaboration in the context of the roundtable organization. The researchers would like to thank European Commission officials, in particular Irene Vlachaki, Vasilis Nikitas and Haris Kountouros. They would like to thank Kostas Valaskas from IOBE for organizing the roundtable's web page, administrative staff of IOBE for their precious assistance, in particular Katerina Xanthi, Maria Kavvadia, Fania Christidi and Nancy Roussia, as well as staff from the European Parliament Liaison Office in Greece for their venue hosting. Last but not least, the roundtable organizers would like to thank all speakers and panel moderators for their constructive interventions and all participants who contributed to making this event a success. All remaining errors should be attributed to the authors alone.

The Foundation for Economic and Industrial Research - IOBE is a private, non-profit, public-benefit research organisation. It was established in 1975 with the dual purpose of promoting research on current problems and prospects of the Greek economy and its sectors and of generating reliable information, analysis and proposals for action that can be of high value in economic policy making.

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Contents

1.	Scope of the roundtable discussion	4
2.	Panels' executive summary	5
3.	Summary of takeaways.....	10
4.	Annex A – List of sources	11
5.	Annex B – Roundtable agenda	12

1. SCOPE OF THE ROUNDTABLE DISCUSSION

The Roundtable Discussion was organised by the [European Commission](#) Representation in Athens, in collaboration with the [Foundation for Economic and Industrial Research \(IOBE\)](#). The central theme and question were “Opportunities and challenges for Europe’s competitiveness: what’s next for Greece?”. The event provided a platform for exchange of views among key stakeholders on the crucial issue of competitiveness and highlighted policy priorities, challenges and opportunities for Europe, while also focusing on Greece.

The recently published [Draghi report \(2024\)](#), the [2024 Country Report for Greece](#), as well as the [EU Competitiveness Compass \(2025\)](#) served as a basis for the discussion. Specific focus was given to the policy priorities for enhancing competitiveness in Europe and Greece (roundtable 1), as well as to the challenges in view of the aim to strike a balance between decarbonization and affordable energy cost (roundtable 2).

The event was organized around three sessions:

- **Opening remarks** by the Deputy Director General of DG ECFIN, Declan Costello, the Minister of State of the Hellenic Republic, Akis Skertsos and the Alternate Minister for National Economy and Finance of the Hellenic Republic, Nikos Papathanasis.
- A discussion (**Roundtable 1**) on the competitiveness challenges faced by Europe and Greece amid a radically changing global environment, with representatives from the Greek authorities, the European Commission and the private sector economy.
- A discussion (**Roundtable 2**) on decarbonization and affordable energy costs, with representatives from the European Commission, the industry, academia and other stakeholders.

Information about related events that took place in the previous years, including on the European Semester, the Recovery and Resilience Facility (RRF) and Greece, organized by the European Commission, the RRF Agency (in 2022 and 2024), in collaboration with the Foundation for Economic and Industrial Research (IOBE), are available here:

- [2019 conference](#)
- [2020 conference](#)
- [2021 conference](#)
- [2022 conference](#)
- [2024 conference](#)

The conference attracted a large and diverse audience, exceeding 100 participants physically present and 1000 online viewers, representing the academic, journalistic, diplomatic, social partners, and business communities. Among the high caliber speakers and participants, the program hosted two Greek Ministers, senior representatives from the European Commission and key stakeholders from the private sector, the academia and think-tanks.

The executive summary highlights the key takeaways from the various sessions. Links to the roundtable panels, the full program, and related sources are available in the Annex.

2. PANELS' EXECUTIVE SUMMARY

The Opening Session

The **opening session of the conference** included an overview of the challenges ahead for Europe and Greece amid a highly uncertain global environment and the economic progress that Greece has recently made, inter alia enhanced by the use of RRF funds.

The **Head of the European Commission's representation in Greece, Ms. Niovi Ringou** mentioned that Europe has, thus far, managed to survive successive crises but has now arrived at a critical juncture, with geopolitical tensions, artificial intelligence, climate change and more developments presenting huge challenges for the continent. To emerge stronger from this situation, focus needs to be placed on growth and innovation by creating a healthy business environment. The new roadmap set by the European Commission, the "Competitiveness Compass" which is based on the recommendations of the Draghi report, focuses on innovation, competitiveness, decarbonization, security and autonomy. It highlights the importance of simplification, the enhancement of the single market, financing competitiveness, promoting skills and quality jobs, and policy coordination across EU-member states. The benefits are potentially huge, if implemented. She then talked about the progress that Greece has made with the aid of the Recovery and Resilience Facility (RRF) in recent years. With an envelope of nearly EUR 36 bn in grants and loans, Greece is now the largest cumulative recipient of RRF Funds, which amount to 17% of Greece's 2023 GDP. She concluded by stressing the need for acceleration of the implementation since there is "a lot more to be done".

The **Alternate Minister of National Economy and Finance, Mr. Nikos Papathanasis**, characterized the RRF as a necessity for Greece. He highlighted the role the RRF has played in implementing reforms and investments in Greece so far and how important it could be going forward. He talked about the significance of the EU competitiveness compass but stressed that its success relies on adequate financing and successful cooperation across member states. Greece is planning to use dedicated funds from the "compass" resources as well as EU Strategic Technologies for Europe Platform (STEP) funds. Equally important is the Multiannual Financial Framework (MFF) 2028-2034 which can finance sectors such as the digital economy, green technology, and defence. He concluded by noting that Greece is steadfast in its commitments to not only improve its position within the EU but to actively contribute to the European economy becoming more competitive and resilient.

The **Deputy Director General, Directorate-General for Economic and Financial Affairs (DG ECFIN), European Commission, Declan Costello**, talked about the challenges that Europe is facing and how the RRF is the instrument through which both the EU and Greece can address the competitiveness challenges they face. The EU rebounded quickly from the COVID pandemic and energy crises but there is currently stagnation and inflation. A modest recovery is now projected due to the resilient labour market but also due to public investment which is also due to RRF funds. Downward risks (including the trade policy shift) such as higher uncertainty, volatile energy prices, and long-term structural challenges are present in the current environment. Europe is also hampered by a lack of innovation and a slow take-up of technologies and is thus not playing a leading role in the tech sector. According to the Draghi

report (2024), many of the drivers of growth for Europe have dried up: Europe is a trading economy so the global fragmentation will affect it; energy prices remain high, making the EU less competitive in many fields (cars, steel, aluminium, data, AI, IT, and more); the population is ageing and shrinking; and the fiscal situation is weaker with added stress from climate change and defence.

The RRF provides the template for how to deal with these issues. The RRF has been successful at tackling the health and energy crises by acting in a timely manner and at scale. Greece's success can give inspiration in this regard. Unemployment has fallen, budget surpluses are being achieved, investment ratings are rising, and export growth has been noted; an impressive performance on the backdrop of the crises that the Greek economy went through. The real challenge now for Greece is to achieve its potential and converge fully with the rest of Europe and the way to do that is first and foremost through the use of the RRF funds. The RRF grants amount to 8-9% of Greece's GDP, which is a large amount so the capacity to absorb it is the bigger challenge; good governance is needed and coordinated support from the top. He concluded by stressing that 2/3 of the set milestones and targets is yet to be achieved and that the hard deadline of August 2026 for the submission of the last payment request is coming up, so swift and decisive action is needed.

The **Minister of State of the Hellenic Republic, Mr. Akis Skertsos**, began by asking what makes an economy competitive, resilient, and prosperous for its citizens. He argued that fiscal stability, investment grade, banking system financing, the level of extroversion, private and public debt levels, the capacity to manage and overcome external economic shocks, employment and unemployment rates, and the volume of public and private investment are objective measures of welfare and economic performance. 8 indicators of economic performance, namely GDP growth, investment grade recovery, lower borrowing rates despite the crises, public debt reduction, reduction of NPLs, increase of business lending, primary surpluses, reduction of deficits, and enhanced extroversion, all improved over the past few years. He then noted that there are still structural weaknesses such as the trade deficit and challenges such as high spending on defense, the ageing population, still high public debt, and tax evasion. The reforms that are being implemented with the aid of the RRF are helping bridge the gap with Europe but there is still a lot more to be done. He concluded by listing 10 necessary reforms going forward: Judicial reform, creation of a digital land registry by 2027, full digitization of all public services by 2027, 5G connectivity, getting energy from renewable resources, reduction in bureaucracy, improvements in education, infrastructure investment (roads, ports and airports), investment in research and development, including AI, and emphasis on democracy and fact-checking.

Roundtable 1. Competitiveness priorities for the EU and Greece

The first panel centered around competitiveness of the EU and Greece with a focus on the challenges faced and the possible solutions going forward. The discussion was moderated by **Ms. Eirini Chrysolora, journalist at Kathimerini**, who focused on the extent at which there is alignment between the EU and Greece with respect to competitiveness priorities.

Chief Economist to the Prime Minister of the Hellenic Republic, Mr. Michael Arghyrou, talked about areas that need further improvement in order for the Greek economy to become

more competitive. He started by highlighting the importance of investment. He argued that the investment gap from Europe is closing but more needs to be done, noting that simplification of the business environment, including digitization and operational improvements of administration, would be a step in the right direction. Human capital competitiveness i.e. increased labor market participation rates and improvement of skills would be another crucial area. Other priorities include defense, the green transition, social cohesion, and a common agricultural policy. He also noted the importance of a strong single market. He concluded by stressing that competitiveness is important for strategic autonomy, both at the national and EU levels.

Luc Tholoniati, Director, Directorate-General for Economic and Financial Affairs (DG ECFIN), European Commission stated that the message from the Draghi report (2024) is clear. Conditions for Europe have worsened because of the ageing population, energy price increase, and productivity reduction, among other reasons. The Competitiveness Compass (2025) is a precise roadmap which lays out 40 actions. The 5 main enablers are the simplification of the legislative framework, the deepening of the single market, in accordance with the Letta report (2024), increased financing at all levels (EU, public, and private), enhancement of skills, in view of an ageing and shrinking population, and coordination between all levels of government as well as between EU governments. He concluded by warning that fragmentation is a weakness of the EU. Defense, capital markets, and R&D spending are some of the areas which would greatly benefit if unified. As an example, he mentioned that the joint efforts against COVID generated a successful outcome, so cooperation, coordination and unification is encouraged.

Rania Ekaterinari, President of the Executive Committee & Vice-President of the Board, Hellenic Federation of Enterprises (SEV) argued that credit should be given to businesses for showing resilience during the Greek financial crisis and that the industry plays a big role in the Greek economy as it is responsible for 13.4% of Greece's GDP growth and 46% of its exports. Moreover, the gross wage in manufacturing is reportedly 35% higher than the average in the Greek economy. There are many issues that Greek companies face however, including spatial planning, licensing, judicial delays, infrastructure gaps, bureaucracy, and logistics obstacles. Furthermore, the cost of energy is an existential problem, not only in Greece but in Southern Europe more broadly. She concluded by stressing that overregulation is a major problem for businesses.

Marco Veremis, Partner, Big Pi Ventures spoke about the importance of innovation. While tech companies are the most valuable businesses in the world, none of the most profitable ones are European. He quoted a saying that "the US innovates, China emulates, and Europe regulates". Defense today is 50% software, hence emphasizing technology is a strategic priority. He noted that France is leading the way in Europe by committing funds to tech. Despite the fact that there are many good tech companies in Europe, the capital markets are not good enough to finance and help these companies grow. As an example, he mentioned that tech companies are 70% backed by pension funds in the US while the respective share in the EU is much smaller. He further noted that 9% of US pension fund investments are in venture capital, while the respective weight in the EU is only 0.029%. He then turned to Greece, arguing that great progress has been made in recent years in the tech field, namely, a large increase in market capitalization since 2019, reaching €10 billion. In addition, 26% of

university graduates are from STEM fields. However, the tech sector currently stands at 1% of GDP, while the corresponding percentage in the US is 9.5% and the European average is 8%. He argued that Greece needs to spend more on tech while expressed the view that there is room to remove remaining regulatory barriers for RRF funding of the technology sector.

Roundtable 2. Decarbonisation and affordable energy costs

The second panel focused on green transition, how it can co-exist with affordable energy prices, and what is the role of Europe as well as the business sector in countries like Greece amid an increasingly competitive global environment. The discussion was moderated by **Nikos Vettas, Director at the Foundation for Economic and Industrial Research (IOBE) and professor at the Athens University of Economics and Business**, who underlined the importance of investments for the green transition of both the EU and the Greek economy, while stressing the importance of enhancing competitiveness through maintaining affordable energy costs.

Johannes Luebking, Director of the Reform and Investment Task Force (SG REFORM) of the European Commission argued that lower energy prices and decarbonization are not antithetical goals. A return to the use of more fossil fuels would actually raise prices. The green industrial deal will be adopted soon by the Commission outlining an energy prices action plan which will focus on modernization and decarbonization as tools to lower energy prices. In particular, there are four main actions: increasing renewables capacity, strengthening grid infrastructure, flexibility and storage, and interconnection capacity. He then turned to Greece and mentioned that the economy has made great progress thus far and has the potential to become an energy hub in southern Europe. He also highlighted that the RRF actions include three of the four main actions needed to bring down energy prices. He concluded by stressing the importance of strategic autonomy for Greece and Europe but also the significance of close cooperation not only among EU-member states but also with China.

Andreas Athanassopoulos, CEO of Olympia Group talked about business initiatives in his sector in the context of green transformation, as well as about the competition EU faces from China. The latter leads the way in battery technology as well as many other components and is really difficult to compete against. It hence has “control” on a lot of the raw materials, including antimony and raises prices artificially. Furthermore, the scale on which China is producing gives it a big cost advantage while Europe has to be faster in its reactions. The defense, industrial traction, marine industry on batteries, and their quality specifications are sectors or niches with big opportunities for Europe. He outlined four policy recommendations: industrial policy would be helpful so long as it is focused, not generic; in the spirit of fast reaction, war rooms would be a good idea; storage is also a problem for the time being as the technological gap between 4-hour batteries and 8-hour batteries remains large so increasing storage in specific companies, would be much faster than relying on the interconnected grid; and the role that batteries play in warfare is paramount so the Commission has an interest to take that into account in its regulatory policy.

Katerina Sardi, Managing Director, Energean Oil and Gas S.A. & EnEarth Greece, Country Manager Greece, Energean mentioned that Energean’s oil production is only 1% of Greek consumption but that it is the only producer in the country. It also produces 68% of Israel’s

gas. Global competition in the sector is fierce and energy costs have increased by a factor of 10. The RRF has helped decisively as Greece and Europe lag in terms of competitiveness when it comes to Carbon Capture and Storage (CCS) change. She argued that regulatory barriers are a major impediment to their work and a simple, versatile framework would be helpful as is the single market. Two major risks going forward are: 1) the lack of clarity, simplicity, and stability in making business easier, as CCS value chains are underdeveloped and the risk of overregulation is huge with major delays as a consequence. 2) New projects are always risky so risk-absorbing measures would help financial institutions to secure and provide the much-needed capital.

Eleni Polychronopoulou, President of the Board, Hellenic Marine Equipment Manufacturers & Exporters Association (HEMEXPO) spoke about the competition faced from China in marine equipment construction. Vessels and many of the ship parts are built in China. Since the Chinese state controls the Chinese companies, it is nearly impossible for Greek companies to compete against them. The support of Greek shipowners is, therefore, essential in order to produce advanced, cost-efficient, price competitive equipment. Ships are also an integral part of a country's defense so shipping needs to become a top priority for Europe. In order for the navy to safely operate the ships, they need to be fully made in Europe. Thus, constraints need to be placed by the EU on equipment, since using Chinese equipment onboard the navy vessels would be a defense liability. In order for construction in Europe to take place, R&D is necessary as well as incentive provision. There is also a manpower shortage, especially when it comes to chemical engineers. As far as the green transition is concerned, decarbonizing a vessel is achieved first and foremost through careful operation which leads to fewer emissions. In addition, carbon-capture systems for ships prolong their lifespan.

Constantinos Cartalis, Professor at the University of Athens, Member of the European Scientific Advisory Board on Climate Change, inter alia mentioned the carbon renewal referrals, which are highlighted in the report the Board just published. The report also includes a discussion on new technologies such as biofuel scales. He argued that it is crucial to aim to understand the needs of the market and find solutions through science. He also stressed that decarbonization is not responsible for the high energy prices but, rather, has helped bring down the cost of energy as a lot of the fuel is being imported (e.g. LNG) and, in addition, it is highly taxed. While renewables constitute a big part of the market, there is still dependency on fossil fuels. The phaseout of fossil fuels is slow and will take 25 years; it will, however, create huge economic benefits. The policies he recommends going forward are: 1) prioritization of energy efficiency 2) deployment of renewable energy (wind and solar) 3) promotion of an interconnected grid system to facilitate energy exchange and 4) the increase of storage area. He argued that R&D is necessary, as is better communication with the public to combat misperceptions about renewable energy.

3. SUMMARY OF TAKEAWAYS

Johannes Luebking, Director, Reform and Investment Task Force (SG REFORM) of the European Commission, wrapping up the conference mentioned that there were rich insights generated from both panels in two directions. There was a consensus that competitiveness and decarbonization can go together and that those two goals can help further the economy of Greece, which is still recovering from the crisis. Economic indicators for Greece are positive now, namely growth rates are higher, employment is falling, and competitiveness is improving. Moreover, 56% of decarbonization has already been achieved and the deployment of renewables and storage is well underway. According to a Bank of Greece study, the national Recovery and Resilience Plan (RRP) will lead to a 6,9% GDP increase by 2026. Some of the RRP reform priorities include judicial overhaul, digitization (1.6bn pages of public administration and archives), wildfire protection, and affordable housing. The investments of the RRF, including €18 billion from the loan facility, are projected to increase Greece's GDP by 5.3% by 2030 according to a study conducted by the European Commission. He then stressed that there is a hard deadline to meet all the milestones and targets by June 2026 and that only 1/3 of them have been met so far, so a pragmatic approach is needed, and the momentum needs to accelerate. Turning to the future, the MFF is the next step and will include a simpler but with greater impact budget, with competitiveness at its heart and the RRF features preserved. Not only investments but reforms are also necessary, so a performance-based rather than a cost-based approach is more appropriate. Concluding, he noted that Greece has become an anchor of stability but now must fully realize its economic potential.

4. ANNEX A – LIST OF SOURCES

2024-25 reports on the EU Single Market and EU competitiveness

- [Letta report \(2024\)](#)
- [Draghi report \(2024\)](#)
- [EU Competitiveness Compass \(2025\)](#)

European Semester documents

- [2024 Country report for Greece](#)
- [European Semester documents for Greece](#)

NextGenerationEU and the Recovery and Resilience Facility (RRF)

- [NextGenerationEU](#)
- [Recovery and Resilience Facility](#)
- [Recovery and Resilience Facility - Greece country page](#)

Greece's Recovery and Resilience Plan (RRP)

- [Website on the RRP "Greece 2.0"](#)
- Greece's adopted RRP, in [Greek](#) and in [English](#). Its [2024 revision](#).
- Greece's RRP key features, in [Greek](#) and in [English](#).
- [RRP implementation Scoreboard](#)

Video recordings to Roundtable discussion

- In [English](#)
- In [Greek](#)

5. ANNEX B – ROUNDTABLE AGENDA

13:30 | Registration and welcoming coffee

14:00 | Welcoming remarks

Niovi Ringou, Head of the European Commission Representation in Greece

Nikos Papathanasis, Alternate Minister of National Economy and Finance, Hellenic Republic

14:15 | Opening address

Declan Costello, Deputy Director General, Directorate-General for Economic and Financial Affairs (DG ECFIN), European Commission

14:30 | Keynote intervention

Akis Skertsos, Minister of State, Hellenic Republic

14:45 | Roundtable 1: Competitiveness priorities for the EU and Greece

Michael Arghyrou, Chief Economist to the Prime Minister of the Hellenic Republic

Luc Tholoniatis, Director, Directorate-General for Economic and Financial Affairs (DG ECFIN), European Commission

Rania Ekaterinari, President of the Executive Committee & Vice-President of the Board, Hellenic Federation of Enterprises (SEV)

Marco Veremis, Partner, Big Pi Ventures

Moderator: Eirini Chrysolora, Journalist, Kathimerini

16:00 | Coffee break

16:30 | Roundtable 2: Decarbonisation and affordable energy costs

Johannes Luecking, Director, Reform and Investment Task Force (SG REFORM), European Commission

Andreas Athanassopoulos, CEO, Olympia Group

Katerina Sardi, Managing Director, Energean Oil and Gas S.A. & EnEarth Greece, Country Manager Greece, Energean

Eleni Polychronopoulou, President of the Board, Hellenic Marine Equipment Manufacturers & Exporters Association (HEMEXPO)

Constantinos Cartalis, Professor at the University of Athens, Member of the European Scientific Advisory Board on Climate Change

Moderator: **Nikos Vettas**, General Director, Foundation for Economic & Industrial Research – IOBE and Professor, Athens University of Economics and Business

17:45 | Farewell address

Johannes Luecking, Director, Reform and Investment Task Force (SG REFORM), European Commission

18:00 | Networking reception**19:00 | END**