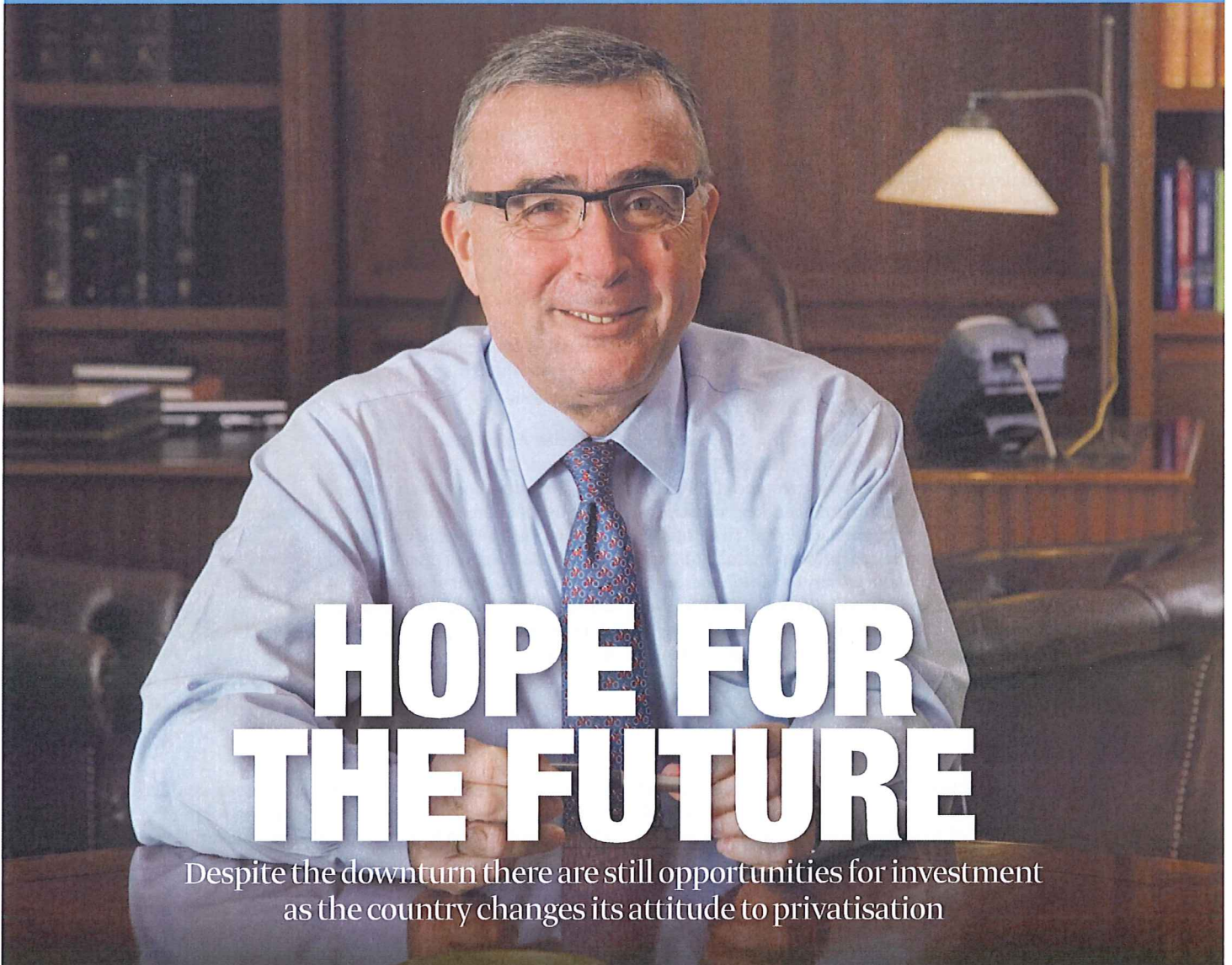


No.1/May '11

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**MEDIA  
PLANET**

# GREECE



## HOPE FOR THE FUTURE

Despite the downturn there are still opportunities for investment  
as the country changes its attitude to privatisation

PHOTO: PRIVATE



BHCC's 9th Annual  
London Conference  
on Hellas ([www.bhcc.gr](http://www.bhcc.gr))  
28.6.11, Claridge's

**IKONOMOPOULOS  
& PARTNERS**  
LAWYERS



## CHALLENGES

To save its dire economy, Greece's politicians must reduce the predatory state and let private enterprise flourish, says Harris Ikononopoulos, President of British Hellenic Chamber of Commerce

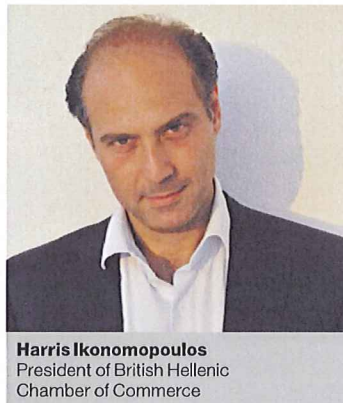
## Refloating the Greek ship

In 1939, Greece and Britain found themselves allied in the struggle against the Axis. Seventy-two years later, Greece and Britain find themselves at equally crucial crossroads, this time not because of a world war but due to a crippling fiscal crisis, which some are equating to a world war by other means.

Greece is paying the price of weak governance and stark political corruption, which was exacerbated by the Siemens scandal and a whole series of 'secondary' scandals. Creative accounting, combined with the EU's internal petty politics and perennial indecision, has led to an impasse. The net result has been the austerity and bailout package, a burden on Greek and other EU taxpayers.

## Capsizing

1 In recent years, Greece became a ship whose helm



**Harris Ikononopoulos**  
President of British Hellenic  
Chamber of Commerce

wasn't controlling her rudder; now she is capsizing. Remedies must be found promptly. Efforts to return to an even keel must proceed apace according to a broader policy of innovation and bold initiative which does not presently exist. Greece's politicians have yet to realise that the next phase will not emerge from fatigued ideolo-

gies and endless bickering, not to mention a domestic socio-political and economic 'system' that has bankrupted the country.

We have no choice but to brutally reduce the predatory Greek state and allow wealth creators to work unobstructed and combine this push with steps to provide sufficient protections for the less fortunate. We have no hope of energising the healthy reserves of Greece without this political and economic agenda.

## Broader consensus

2 Ironically, the disaster of the austerity measures, imposed with little understanding of the economy, has led to the first signs of a hopeful, broader consensus in Greek society. This consensus is based on the obvious: political change, economic prudence, and fighting corruption.



WE RECOMMEND



**Yannis Stergis**  
Expert on  
the private  
EFL sector

PAGE 6

"The emphasis is on using English as a practical tool"

**MEDIA  
PLANET**

We make our readers succeed!

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## Development, Extroversion, Vision, Responsibility: Pillars of support to the Greek economy and society.

MYTILINEOS Group is a living proof of the fact that there are today Greek firms that can substantially support the Greek society and boost the domestic market in a way to release it from the current adverse economic circumstances. Through a diversified portfolio, business flexibility and financial robustness, MYTILINEOS Group fulfills all the requirements in order to continue supporting the growth of Greece towards a more promising future.

### Sealing and promoting the developments in the Greek market

1908 being the starting point and 1990 the founding year, MYTILINEOS Group features a business footprint that lasts for over a century. Led by a strong business vision and faith in the dynamics of the Greek market, the Group through a series of crucial acquisitions and mergers in key sectors of the domestic industry, has evolved into a considerable pillar of development for the Greek industry. MYTILINEOS Group is listed in the Athens Stock Exchange since 1995 and its share is a constituent of the FTSE 20 large-capitalization index.

With an outstanding portfolio of activities, the Group strengthens traditional industrial sectors, like metallurgy and specialized constructions, while at the same time it consolidates its position in new and swiftly emerging fields, like that of energy which offers prospects both to companies and society. Among the subsidiaries of the Group are companies that play a crucial role in the country's growth, like ALUMINIUM, companies that are internationally acknowledged both in Greece and abroad, like METKA, as well as pioneering companies in the upcoming energy sector, like PROTERGIA, M&M Gas and KORINTHOS POWER.

The metallurgy activity makes MYTILINEOS Group the largest vertically integrated producer of alumina and aluminum in the European Union, the involvement in the energy sector distinguishes the Group as the leading independent producer of energy in the country, while in the EPC construction sector it reaches a record-high growth and penetration in foreign markets that concerns 90% of its project portfolio.

### Positioning Greece on the international map through a strategy of extroversion

Based in Greece, MYTILINEOS Group counterbalances the negative effects of the economic recession, by turning its attention to the international markets and envisaging opportunities of growth and distinction for the Greek know-how, experience and innovation. Through METKA as the main vehicle of extroversion, the Group positions Greece on the map of international players, especially in the sector of energy-related constructions, managing this way to attract the interest of international utilities towards a Greek company. In Romania, Syria, Turkey and Pakistan, METKA has already acquired large-scale projects, after competing on an equal basis with other giant-firms within the sector. Simultaneously, the exporting capability of ALUMINIUM is also very competitive as the company has a significant international presence in the European Union where the majority of alumina and aluminum is distributed.

### Moving forward led by a Vision of growth

Aiming at business growth and superiority and driven by a sense of responsibility towards its people, clients, business partners and shareholders, MYTILINEOS Group operates on a daily basis focused on the establishment of its position as the leading independent producer of energy in Greece, as well as a powerful European competitor in the sectors of Heavy Industry, Energy, Metallurgy and EPC Constructions.

The course of the Group is a steady driving force for the Greek market as it:

- Proceeds to new investments, despite the adverse financial environment,
- Secures working positions, especially for young engineers, mineralogists, chemists, etc.,
- Attracts the interest of foreign investors, verifying the dynamics of Greek entrepreneurship,
- Contributes to the elimination of market distortions and to the creation of a healthy competitive environment, especially at the under liberalization energy market.

### Acting responsibly towards society and the economy, guided by sustainability

The Group founds all its decisions on the principles of Sustainability and Social Responsibility, with every business activity being in harmony with its social and environmental footprint.

The use of natural gas as an environmentally and socially friendly energy solution, the support of local communities and the significant restriction of its environmental footprint, are just a few examples to prove that the viability of MYTILINEOS is inextricably linked with that of the society within which it is operating.

As a result of this consistent commitment, in 2010 the Group produced "social product" of almost €297 million worth for investments, employee benefits, sponsorships, dividends and tax payment, while, at the same time it keeps supporting the Greek economy on a regular basis by offering 2.000 direct working positions and even more indirect ones.

[www.mytilineos.gr](http://www.mytilineos.gr)



## NEWS



## Government faces striking power of trade unions

**Question:** What are the biggest obstacles to the Government's privatisation programmes?

**Answer:** The strong trade unions and radical groups in the Socialist Government oppose the reforms



**George Bazinas**  
Lawyer in Athens  
and expert on the  
economy

The crisis in the Greek economy, which was prevented from collapse by a €110 billion bailout package last year, has provoked a lot of soul-searching.

Amid rumours that the country could be forced to withdraw from the Euro, and restructure its €340 billion debt, the Greek people are 'losing hope', according to George Bazinas, a lawyer in Athens and expert on the economy.

"People are anxious and demoralised. We need to give them hope for the future. Regardless of the time it takes to make reforms, Greece needs to become more competitive. As Greek's national poet Kostis Palamas said, we will be 'judged by both the dead and the unborn to come'," Bazinas said.

One shred of hope is that the crisis has changed the Greek attitude to privatisation.

"In a recent poll, 74 per cent

thought we needed to privatise. This is a radical change in mentality. Greeks have always taken the practical view that the state would provide for us for eternity, but now they are waking up and seeing it cannot happen. Now, there is unanimity between the people and all the experts who want to modernise," Bazinas said.

### Powerful unions

There are still obstacles to privatisation, however. Rather like Britain in the eighties before Thatcher's reforms, Greece has powerful trade unions. The Socialist Government — which took power in October 2009 under PM George Papandreou — has to convince the unions of the need for reform.

"The unions are very powerful. State sector workers are like holy cows and it's impossible to sack them. Apart from slight wage cuts, they have hardly been touched by the crisis. All the real effects have

been in the private sector," said Bazinas.

The Government's fear of stirring up radicals meant the word 'privatisation' was absent from the wording of its recent medium-term plan.

### 'Maximising' assets

"The Government elaborated sectors to be privatised, but never used the word. It spoke of 'maximising the value of assets'. Clearly, they want to conceal their departure from the party's traditional ideological stance, but they also have to deal with the workforce problem, which is the crux of the matter."

Bazinas urged the Government not to rush privatisation, which could mean selling to the cheapest bidders, and emphasised the need for transparency.

"We have a problem with corruption, so we do need rules leading to privatisation, but I do believe the Government is honestly and fairly dealing with the matter as best it can. The question is will the unions let them? And will we get privatisation as in the rest of Europe, or a sort of 'soft' privatisation?"

DAVID SMITH

info.uk@mediaplanet.com

## Investing in unspoilt Lefkas

**The stunning Ionian island has remained relatively untouched by mass tourism, and offers good value investment properties**

Investors in Greece need to be shrewd, but there are pockets with the potential to give good returns on investment. One such place is the lovely island of Lefkas.

Although it has all the spectacular scenery and beautiful villages, Lefkas has avoided the mass tourism of other Ionian islands, such as Corfu, Kefalonia and Paxos.

This undiscovered feel gives it charm. "Lefkas entered tourism later than its neighbours. But it has the benefit of learning from their mistakes," said Liam Dunphy, an expert on Lefkas tourism. "The focus is on traditional Greek hospitality combined with standards expected by today's traveller. Hiking, cycling, diving and sailing, and fantastic beaches — that is where our future lies."

Lefkas is unlikely to remain a secret for long as it has good transport links. A bridge links it to the mainland only 50 metres away. Highways connect it to Athens, Thessalonika and Igoumenitsa, where ferries arrive from Italy. Preveza airport is 20 minutes away and there are hopes Easyjet or Ryanair will choose it as a gateway to Western Greece.

Prices are relatively cheap. It is possible to buy a waterfront restaurant business for under €100,000, a luxury villa business for under €850,000 and a large beach-front hotel for €2m. There are beachfront properties and plots of land suitable for golf courses.

"We realise how lucky we are," said Vasillis Philippas, an expert of Lefkas' property market. "The island is pristine. But we are realistic and know that it will develop. What is important is that it develops in a sustainable way. Lefkas is safe, clean and beautiful; our best investment for the future is to keep it like that."



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## NEWS

# Carving out a niche on Lefkas

When Ruairi Bradley and his wife Nicky opened a restaurant on the idyllic Ionian island of Lefkas nine years ago neither of them had ever done any cooking.

"We could just about manage pasta and salad. My wife's cooking at the time was really awful," said Ruairi, who is 38 and has lived in Greece for 17 years.

But the Vliho Yacht Club has grown to become one of the social hubs of the resort of Nidri. It employs 12 people and Nicky's cooking is now "top-notch".

The business has filled a niche in the market, Ruairi said. "There are many seedy ex-pat bars in the Mediterranean, but not too many which are a little classier than that. Our food is restaurant quality and we've also got a bar, internet, laundrette and book swaps. It's become a local pub for the island's 2,500 ex-pats," he said.

The Club is also a meeting place for foreign sailors. "A lot of people live on boats for six months a year, then go back to the UK. They come here to recharge their batteries, chat, find the long-range forecast. It's very much a club idea, not just an eating place."

Ruairi and Nicky — who also own a yacht maintenance company — are happily settled on Lefkas. But Ruairi sees a minority of ex-pats arrive each year who fail to adapt and return home.

"The problem is they don't find good jobs and keep nibbling away at the nest egg. Work is not only monetary, you also meet lots of people. It prevents boredom, which is the biggest problem faced by ex-pats cut off from normal amenities.

"So, I would advise a few exploratory trips to make sure you can find good jobs, or a business opportunity such as the ones we were lucky enough to find," he said.

"Greek Olives in a salad"

Yes we can deliver them on time

"Greek Olive Oil  
in your Salad"

Yes we can deliver  
it with Low cost

"Greek Lemon Juice  
for your Barbeque"

Yes we can deliver it  
with Efficiency

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Cuisine originating  
from Greece"

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## INSPIRATION



# English for life for exam passes

**■ Question:** Are there any business opportunities in Greece's huge EFL market?

**■ Answer:** Schools using innovative methods to teach students how to speak and not just pass exams will succeed

## HOW WE MADE IT

Yannis Stergis — an expert on the private EFL sector — says many English natives would fail the Cambridge Proficiency Examinations which are routinely passed by 14-year-old Greeks.

Clearly this does not mean Greek teenagers speak better English than the English even if they could baffle 90 per cent of British people with their analysis of the present perfect tense.

"They have been learning to pass exams rather than speak a language," Stergis said. "Many people with Cambridge Proficiency are unable to hold a proper conversation in English. Studies show 77 per cent of certificate holders can't confidently use the foreign language."

But the emphasis in Greece's private EFL sector — which gives 90 per cent of children their first language lessons — is changing. "Employers,



**Yannis Stergis**  
Expert on the private EFL sector

and schools, are not as interested in exams now. You need accreditation, but the emphasis is on using English as a practical tool," Stergis said.

## Self-assessment

This trend is part of an EU-wide move towards recognising competency rather than paper qualifications. "Across Europe, there is more self-assessment of levels of competency. Most people know how good their spoken English is in real-life situations."

The changes provide a business opportunity for innovative schools. "The EFL business was always a gold mine, but the market is close to saturation. The good news for savvy people entering the market is a lot of educators have low business nous and drive businesses down."

British people used to be debarred from opening EFL businesses in Greece, but no longer. "Before the crisis struck, EFL was a closed profession reserved for Greeks, but it

violated EU law. Now, anybody from the EU can run a school if they have a C2 certificate in Greek. Even if they don't they can hire a Greek speaker to help run it."

## Innovation

Greece has more than 8,000 EFL schools and more children sitting Cambridge exams than any other nation. But it is also in a state of transition. The state sector has copied its methods, forcing it to re-consider its position.

"EFL awakened people to prejudice about dyslexia, Asperger's syndrome and psychological issues. It introduced tools like flashcards, audio/visual material, the web and interactive whiteboards. But the state has now adopted these methods so the EFL school needs to differentiate itself to stay relevant."

Stergis said it would be 'commercial suicide' for EFL schools to stand still in the current difficult market. "One way we are innovating is by using personality maps that produce different lesson plans for each individual. They learn how to learn, and the results are amazing."

DAVID SMITH

info.uk@mediaplanet.com



## QUESTION & ANSWER



**Yannis Stergis**  
Expert on the private EFL sector

### ■ How many children attend?

**!** Ninety per cent of Greek children attend private classes and €1.7 billion a year is spent in the private EFL sector. There are more than 8,000 private language institutes (known as 'frontistiria'). Some 86 per cent of Greeks have their first contact with English at a private EFL school, where the teaching is more exam-oriented than in state schools.

### ■ Are the classes effective?

**!** Greece submits the highest number of entrants worldwide for the University of Cambridge English exams. But, despite all the instruction, a survey has shown that 77 per cent of certificate holders cannot confidently use the language. A criticism of the sector is that children learn sophisticated grammar and structures at an early age, but can't necessarily express themselves well. Another problem is that most Greeks don't practice language skills abroad — the country has the EU's lowest ratio of foreign travellers.

### ■ Where do the teachers come from?

**!** About 85 per cent of teachers are Greeks, or people of dual nationality (e.g., Greek-Australians) with degrees. They need the 'Eparkeia', or Cambridge, or Michigan Proficiency certificates to be qualified to teach. But about 15 per cent of teachers are native speakers and there's always huge demand for British teachers as bureaucracy is limited for EU citizens and most of the schools teach British-English. British teachers receive a lot of help settling in. Usually, a flat is found as part of the deal and an accountant does all the paperwork to ease them into the system.



# The three modes of... education

€1.7 billion is spent per annum on private language education in Greece. This funds 7,000 private language schools, 8,000,000 textbooks, more than 60,000 foreign language teachers and at least 6 UK and US examination and accreditation organizations. 90% of Greek families with children invest in private language education on top of the standard state system from a very early age, to give their children the best possible advantage.

**ETHOS** Since 2003, hyphen S.A. has invested in the Greek private educational sector by introducing top-notch educational methodologies and tools, and through the engineering of customized syllabi and curricula. The Common European Framework of Reference in Education (you can google CEFR) and its principles have been

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In Greece, a major tourist destination, the summer is definitely for lying on a beach... but come September, all teachers, students and books have to be in place... so have a dip for hyphen this year!



implemented within more than 800 private language schools, streamlining management, teaching, learning, knowledge management and training. This caused an intrinsic shift in an educational field that addresses itself to the entire Greek population. This accumulated knowledge and implementation experience has been compiled into a code of educational systems and practices, the hyphen S.A. ROIEdU® programme (Return

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# Chania – Crete: Profusion of splendid sceneries with rich heritage – the new property hotspot in the Mediterranean

Chania, the “ Venice of the East”, rare beauty often glorified as the city of intellectuals and artists with rich history and culture as well as plentiful of unspoilt beaches and villages - the visitors will definitely enjoy the unique hospitality of its people!

The old city of Chania has managed to preserve its cultural heritage and traditional architecture, yet to combine beautifully the modern lifestyle with a big choice of chic restaurants and traditional taverns. A walk in the narrow streets of the old city offers nostalgic images from the past. Some of the unique monuments i.e. the Grand Arsenal, the Egyptian Lighthouse, the Venetian dockyard (“Neoria”), old churches and the majestic neoclassic buildings etc. along with the sea breeze at the portside and the colorful walls of the old city and taste of local cuisine, are just some of the things one will love about the place.



Development and particularly the property sector are beginning to knock on the door of Chania already, as more tourists ‘discover’ the benefits that the place offers. For over a decade now, Leptos Estates has been active and investing in the property industry in Greece with the main focus the west part of Crete, Chania, obtaining prime location plots; the company also has projects in the islands of Paros and Santorini.

One of Leptos’ projects in Chania, the Aphrodite sea-front development, is built just few meters away from a beautiful sandy beach, thus taking the name ‘Aphrodite’ as the goddess emerged from the sea. The Group’s 50 years of experience have played a key role on the success of Aphrodite sea-front development, built with the highest quality standards, design which provides harmony and comfort offering big landscaped gardens and state of the art swimming pool.

The project consists of one, two and three bedroom apartments and townhouses, shops, and luxury three bedroom villas, with on site management and reception area. More than 60% of the units are already sold to property overseas seekers, from UK, Scandinavian countries and other nationalities. All units enjoy unobstructed magnificent sea view, yet are just few meters away from the sandy beach of Maleme, built with the Mediterranean style. Prices start from 199,000 Euros, and considering that this is a real beach front development and properties with all amenities nearby, it makes it a fantastic opportunity to enjoy either a holiday home or a permanent dwell on the sun. It is worth noting, that the international airport of Chania is just 28km away.

If you are dreaming of having your sea and sun place, that could be your answer.

**INFORMATION:** Leptos Estates, Chania-Crete · tel (+30)28210 20830 · fax (+30)28210 32315

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