



ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ

ΥΠΟΥΡΓΕΙΟ ΟΙΚΟΝΟΜΙΚΩΝ

Νίκης 5-7

10180 Αθήνα

ΓΡΑΦΕΙΟ ΤΥΠΟΥ

Τηλ.: 2103332644

e-mail: [press@minfin.gr](mailto:press@minfin.gr)

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### Δελτίο Τύπου

#### Ομιλία του Υπουργού Οικονομικών κ. Χρήστου Σταϊκούρα στην «24<sup>η</sup> Συζήτηση Στρογγυλής Τραπέζης με την Ελληνική Κυβέρνηση» που οργανώνει το περιοδικό «The Economist»

It is a great pleasure for me to be here, with such a distinguished panel, in one more high-level Economist Conference.

A Conference that takes place in a period of high uncertainty, due mainly to the Covid-19 pandemic. An exogenous shock, leading in the shrinking of European economies, at unprecedented rhythm.

Unavoidably, the same happens to the Greek economy. Nevertheless, it has depicted remarkable resilience.

More specifically, according to the provisional available data, in the 1<sup>st</sup> semester of 2020, the Greek economy shrank by 7.9%, while the Euro Area's average was -9.0%, the Portuguese economy shrank by 9.3%, the Italian by 11.7%, the French by 12.3% and the Spanish by 13.1%.

This is the result of the timely taken, cohesive, well-targeted measures of the Government, which took advantage of the existing fiscal and monetary flexibility.

This was recognized in June, in the statement of the Eurogroup, which “commended the Greek authorities for the quick and decisive policy response, both in containing the outbreak of the virus and in taking the necessary economic and fiscal support measures.”

Indeed, we implement fiscal and non-fiscal measures, of a total value of around 24 bn euro, in order to protect human life and public health and to support households and businesses.

These measures include the ones announced by the Prime Minister three days ago, to protect employment, to enforce the productive activity and to support the income of the most vulnerable, while, always, holding reserves for a future, which remains uncertain.

All these are financed by the prudent and neat management of the country's cash reserves.

Cash reserves which have been significantly strengthened during the last year, through 6 successful debt issuances, of a total amount of 14 bn euro.

The highlight was the most recent 10-year GGB issuance, at the lowest borrowing cost ever for the country.

At the moment, cash reserves stand at 38.7 bn euro, a bit higher compared with the beginning of the crisis.

And they are expected to be further augmented by the use of the existing European financial instruments.

At the same time, amid the crisis, as Ministry of Finance, we proceeded with the implementation of important structural changes.

Indicatively, during the last 6 months:

- A new program to support borrowers affected by the coronavirus crisis has been launched and is being successfully running.
- Public consultancy on a holistic, socially sensible and nationally growth-productive framework to tackle the high level of private debt has been completed.
- The institutional framework for corporate governance and the capital market has been upgraded and modernized.
- The framework for microfinance has been enacted.
- The Asset Development Plan has been boosted in cases where it was possible, as for example the Hellenikon project and the regional ports.
- Plans to enhance the sustainability of companies, such as ELVO, Skaramagas's Shipyards, EAV and LARCO, have been put into action.

Consequently, we have made good use of time in order to speed up reforms, aiming at enhancing economic effectiveness and social justice.

Nonetheless, we do not turn a blind eye nor are we celebrating.

We are aware of the national, social and economic challenges ahead of us.

We are in a geopolitically sensitive and interesting area of the planet.

We are working prudently and methodically, to overcome difficulties.

To sear the country's defense.

To successfully tackle the health crisis, population movement, geopolitical turbulences, the return of our economies to the pre-crisis level, the soonest possible.

To take advantage of the fiscal flexibility, with prudence, which will continue to exist in 2021.

And of course to make the best use of the available European funds, through the implementation of our National Growth Strategy.

A Strategy which will be the springboard to reorient the Greek economy to a new production and growth model, and, thus, to achieve high, sustainable, clever and socially fair growth.

This growth can be achieved based on the important firepower that we have secured; approximately 72 bn euro from "Next-Generation EU" and the EU's Multiannual Financial Framework (MFF).

More specifically, Greece is expected to receive, through Recovery & Resilience Facility (RRF), about 19 billion euro in grants, while it can receive an additional 12.7 billion euro in loans.

In addition, it will raise 40 billion euro from the Multiannual Financial Framework, for the period 2021-2027.

This poses a unique opportunity for Greece to boost economic activity over this period through investments, but also reforms that will have a prolonged and sustainable impact on the country's long-term economic outlook.

We plan to make the best of use of these funds in order to implement policies based on the objectives set by the National Recovery Plan, which include:

- The implementation of a prudent fiscal policy, with the gradual reduction of tax rates and social security contributions.
- The continuation of the privatizations program, as well as the exploitation of public property.
- The digital transformation of the Public Sector.
- The simplification of the licensing procedures and the reduction of the bureaucratic burden.
- The implementation of structural reforms concerning the regulatory framework for businesses, the faster delivery of justice, agricultural policy, etc.
- The promotion of public investment and the support of private investment initiatives of high added value, emphasizing on the development of infrastructure, on digital technologies, on the industry stimulation, on the stimulation of endogenous sources of development, such as education, research and innovation, on the green economy.

Among other areas, Greece plans major investment in areas including efficient use of energy, networks' upgrading, renewables, recycling, waste management, protection and enhancement of natural environment and biodiversity.

Such investment will underpin sustainable growth and job creation in ways that protect environment and social cohesion.

Taking advantage of all the above, we will have the opportunity, not only to recover, but to enter a strong and sustainable upward trajectory.

An opportunity that we are decided to seize in order to restructure the economy, to enhance its productivity and to improve its competitiveness.