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“ Absence of a sophisticated legal framework and willpower for the regulation of competition between private sector companies impede ICT development in Greece.”

—Senior consultant, IT company, Greece

“ The Greek cellular telephone market has been a success. There is big potential for wireless Internet.”

—Professor of computer science, Greece

The Greek ICT landscape is characterized by both delay and vibrancy. With only 12 percent of its population using the Internet, Greece lags behind the other EU nations, and ranks thirty-first overall in Readiness for the Networked World, just behind Hungary and Slovenia. Yet, the nation's cellular phone penetration is one of the highest in the EU—almost 60 percent.<sup>1</sup> Greece is a Networked leader in the Balkans, pursuing public and private regional cross-border initiatives. European funding, coupled with pressure from the EU, is expected to spur development of the ICT sector.

E-government is at an initial stage in Greece (Ranking in e-Government micro-index: 54), but systems are beginning to be implemented. In February 1999, the Greek government issued *Greece in the Information Society: Strategy and Actions*, which identifies the major axes of ICT policy for the years 2000 to 2006. Some noteworthy results already have been achieved; Greek citizens can submit several government forms online and file their income taxes electronically.

The central government also intends to incorporate ICT into the education, health care, transportation, culture, and tourism sectors. Special emphasis will be given to the advancement of telemedicine and to public health facilities, where the goal is to achieve 100 percent connectivity by 2006. The educational priority is to provide schools and universities with Internet access, train all students and staff by 2003, and develop digital educational content for online use. Currently, only 1 percent of primary schools and 38 percent of secondary schools are connected to the Internet (Ranking in Internet Access in Schools: 55), while the students per PC ratios are 1,097:1 and 31:1 for primary and secondary schools, respectively.<sup>2</sup>

The private sector also has played a significant role in the development of Greek ICT infrastructure (Ranking in Information Infrastructure micro-index: 30). The banking sector, along with some major corporations (notably, former state telecom monopoly OTE, Hellenic Telecommunications Organization, and telecom equipment manufacturer Intracom), are the leading forces in Greece's ICT market, due to their strong investment programs and in-house R&D. B2C e-Commerce in Greece is just beginning because of low Internet penetration, low credit card use, low purchasing power among the demographic group using the Internet, and suspicion of online security. The Go Digital and Get Connected programs of the Ministry for Development address some challenges such as connectivity for small and medium enterprises, development of a strong e-commerce environment for B2B and B2C, vocational training programs to increase computer/ICT literacy, and advancement of ICT R&D programs.

A key factor in Greek Networked Readiness efforts was the establishment of a regulatory framework. The Hellenic Commission on Telecommunications and Postal Services (EETT) is the main regulatory authority. EETT began operating in 1992 when the country's first two cellular licenses were issued; since then, EETT has evolved into the liberalization vehicle of the telecommunications sector in Greece. Since 2001, EETT's oversight has included the fixed lines infrastructure, and it is expected that lower fixed-line, dial-up and ISDN rates will contribute to increasing the number of Greeks connected to the Internet.

## Key Facts

|   |            |
|---|------------|
| Population  | 10,600,000 |
| Rural population (% of total population) 1999                       | 40.08 %    |
| GDP per capita (PPP)  | US\$16,326 |
| Global Competitiveness Index Ranking, 2001–2002                     | 36         |
| UNDP Human Development Index Ranking, 2001 (adjusted to GTR sample) | 22         |
| Main telephone lines per 100 inhabitants                            | 53.16      |
| Telephone faults per 100 main telephone lines                       | 17.00      |
| Internet hosts per 10,000 inhabitants                               | 103.91     |
| Personal computers per 100 inhabitants                              | 7.05       |
| Piracy rate   | 66.00 %    |
| Percent of PCs connected to Internet                                | 14.75 %    |
| Internet users per host   | 9.04       |
| Internet users per 100 inhabitants                                  | 9.39       |
| Cell phone subscribers per 100 inhabitants                          | 55.90      |
| Average monthly cost for 20 hours of Internet access                | US\$16.04  |

**RANK**

## Networked Readiness Index **31**

### Network Use component index **30**

### Enabling Factors component index **35**

#### ■ Network Access **39**

Information Infrastructure 30

Hardware, Software, and Support 47

#### ■ Network Policy **43**

Business and Economic Environment 42

ICT Policy 43

#### ■ Networked Society **35**

Networked Learning 42

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e-Commerce 47

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General Infrastructure 23