



Sustainable development in times of crisis.

Growth prospects in Greece

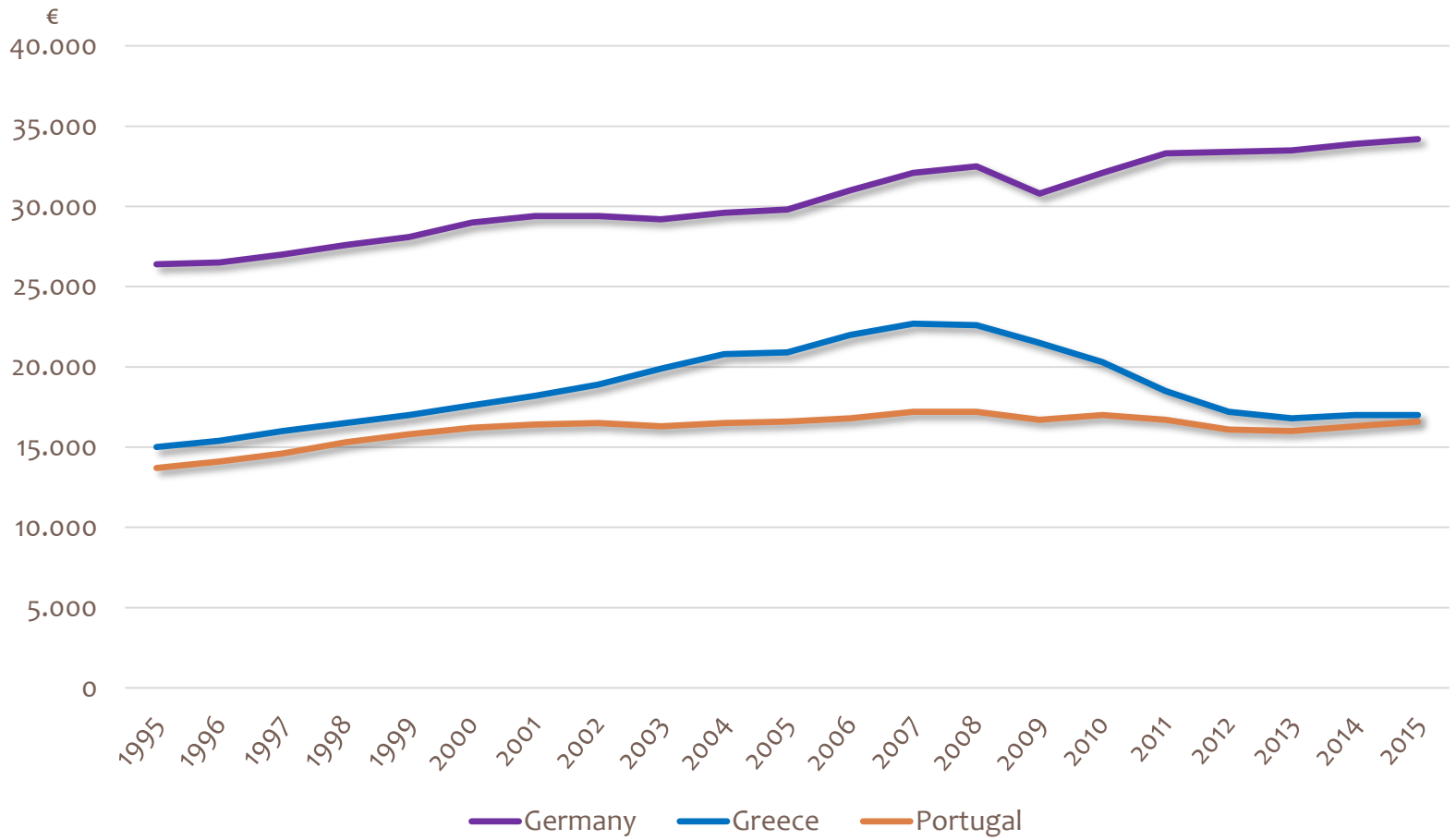
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3rd SDSN Mediterranean Conference
Athens, 7 September 2017

GDP per capita, 2010 prices



Source: Eurostat

Key Macroeconomic and Financial Figures

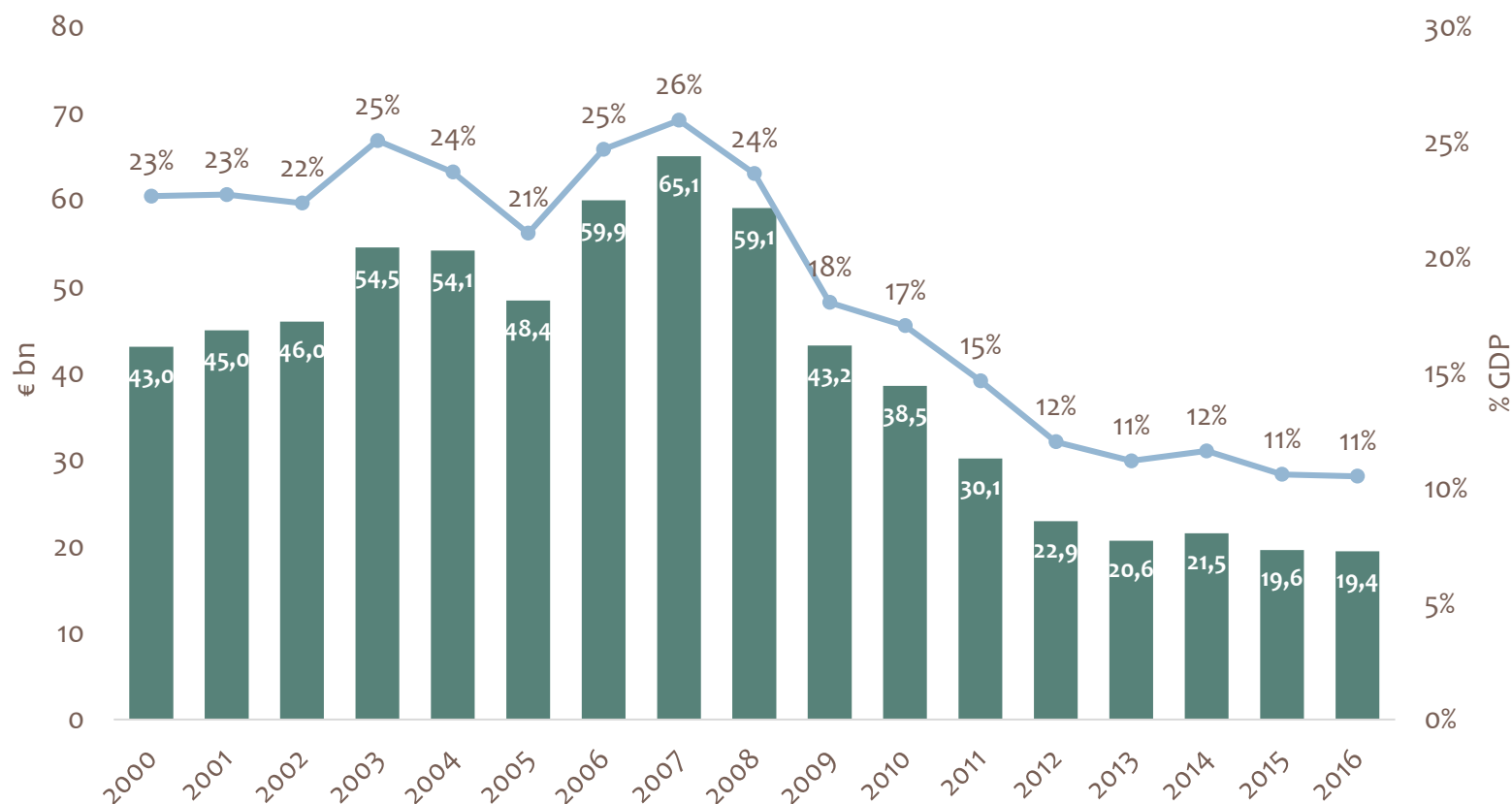
Key Macroeconomic Figures	2009	2014	2015	2016	2017*
GDP	-3.1	0.7	-0.2	-0.05	1.5
Unemployment	9.5	26.5	24.9	23.5	22.2
General Government Balance¹	-15.6	-3.6	-7.5	0.7	-0.3
Current Account Balance	-14.4	-3.0	0.0	-0.6	-1.2
Harmonised Inflation	1.3	-1.4	-1.1	0.0	1.5
Gross Fixed Capital Formation	-13.7	-2.8	-0.2	-0.01	11.0

¹ Including State aid to the banking sector

* FEIR/IOBE forecasts

Sources: Eurostat / ΕΛΣΤΑΤ

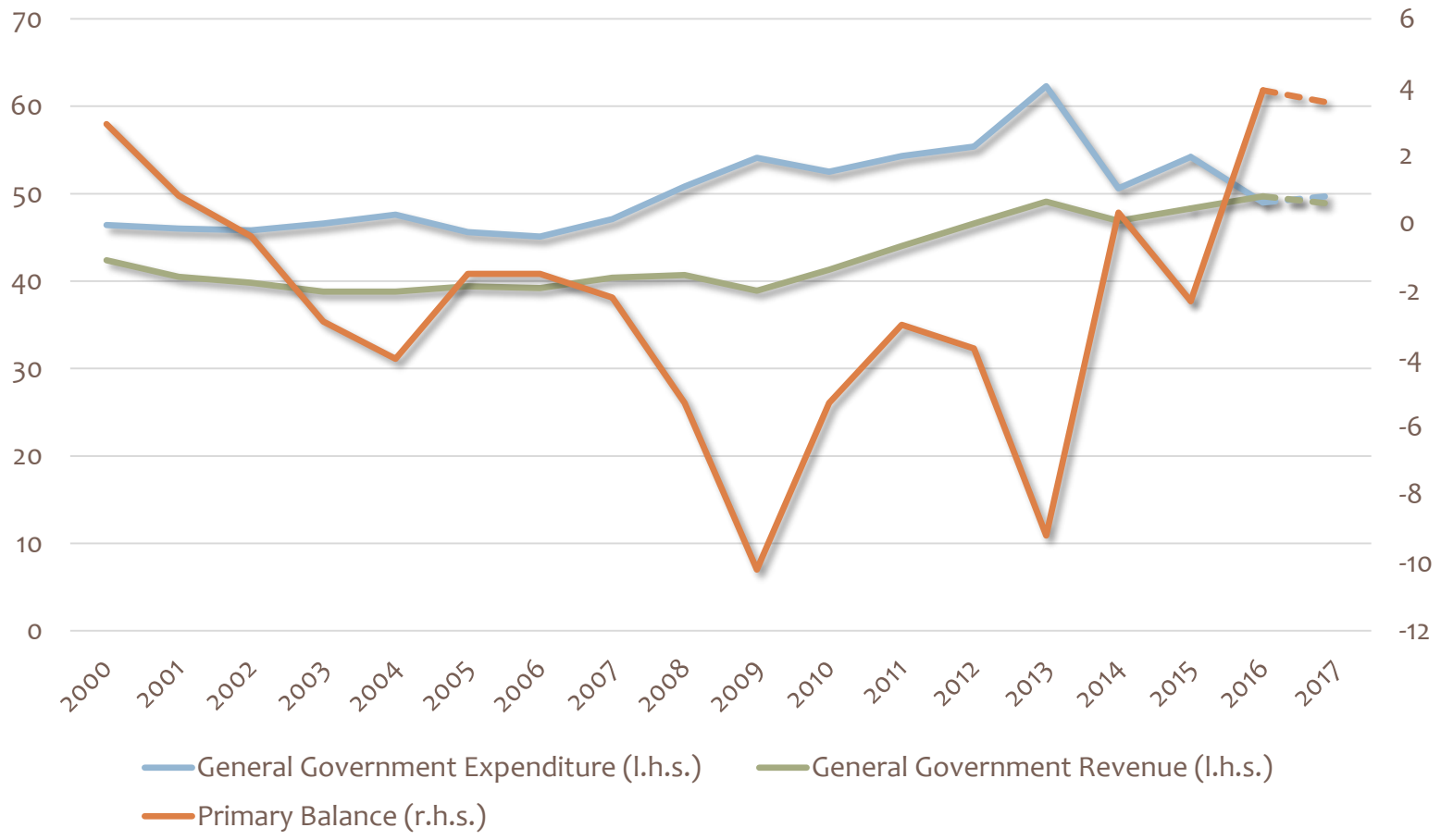
Investment;



Sources: Eurostat/ELSTAT

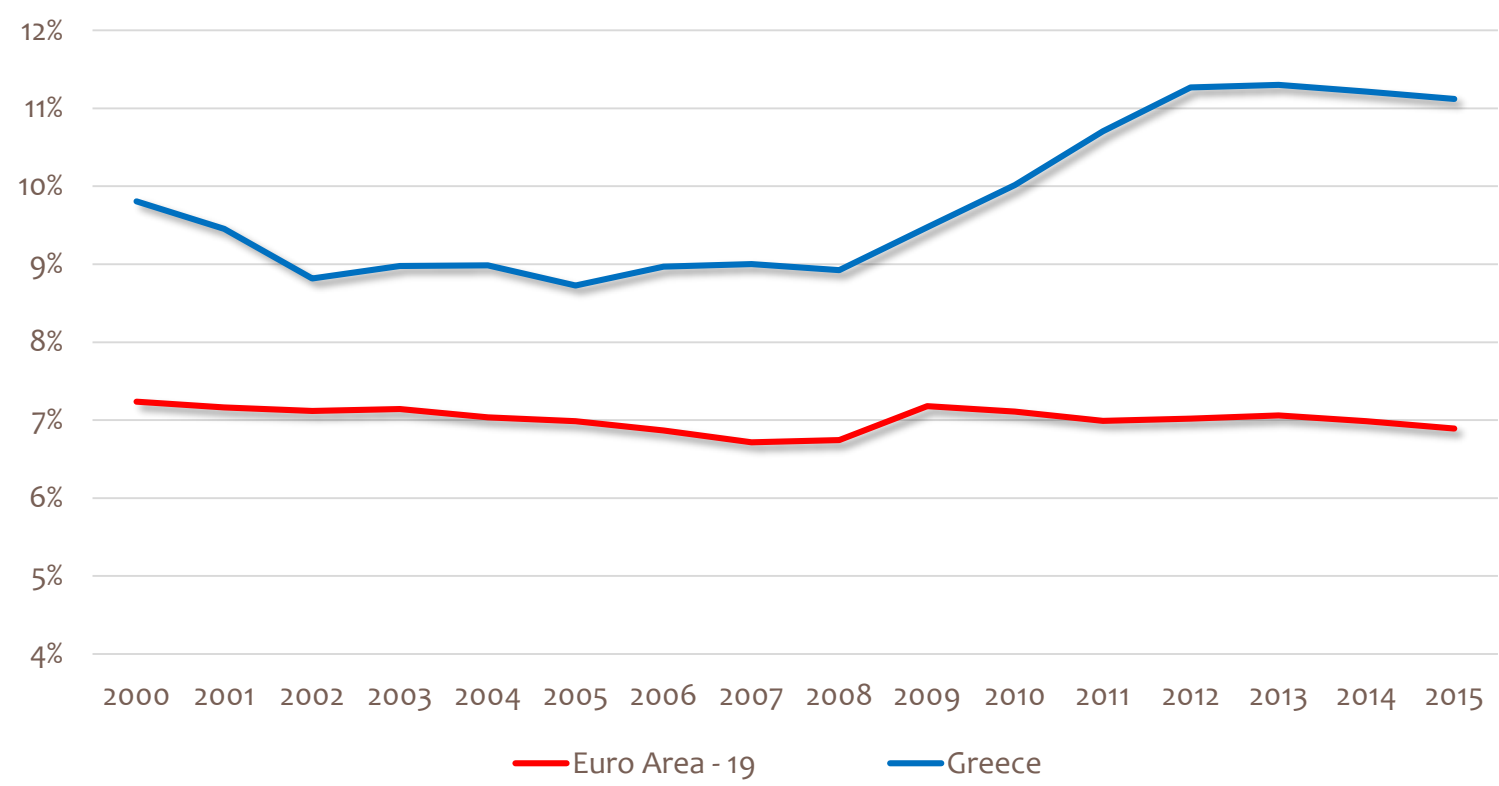
- Highest investment level in 2007 (€65.1 bn)
 - Highest level of investment as a % of GDP in the same year (25.9%)
- Significantly lower investment in 2016 (€19.4 bn, 10.5% of GDP)

Government Expenditure – Spending – Primary Balance (% GDP)



Sources: Eurostat/European Economic Forecast, winter 2017, European Commission

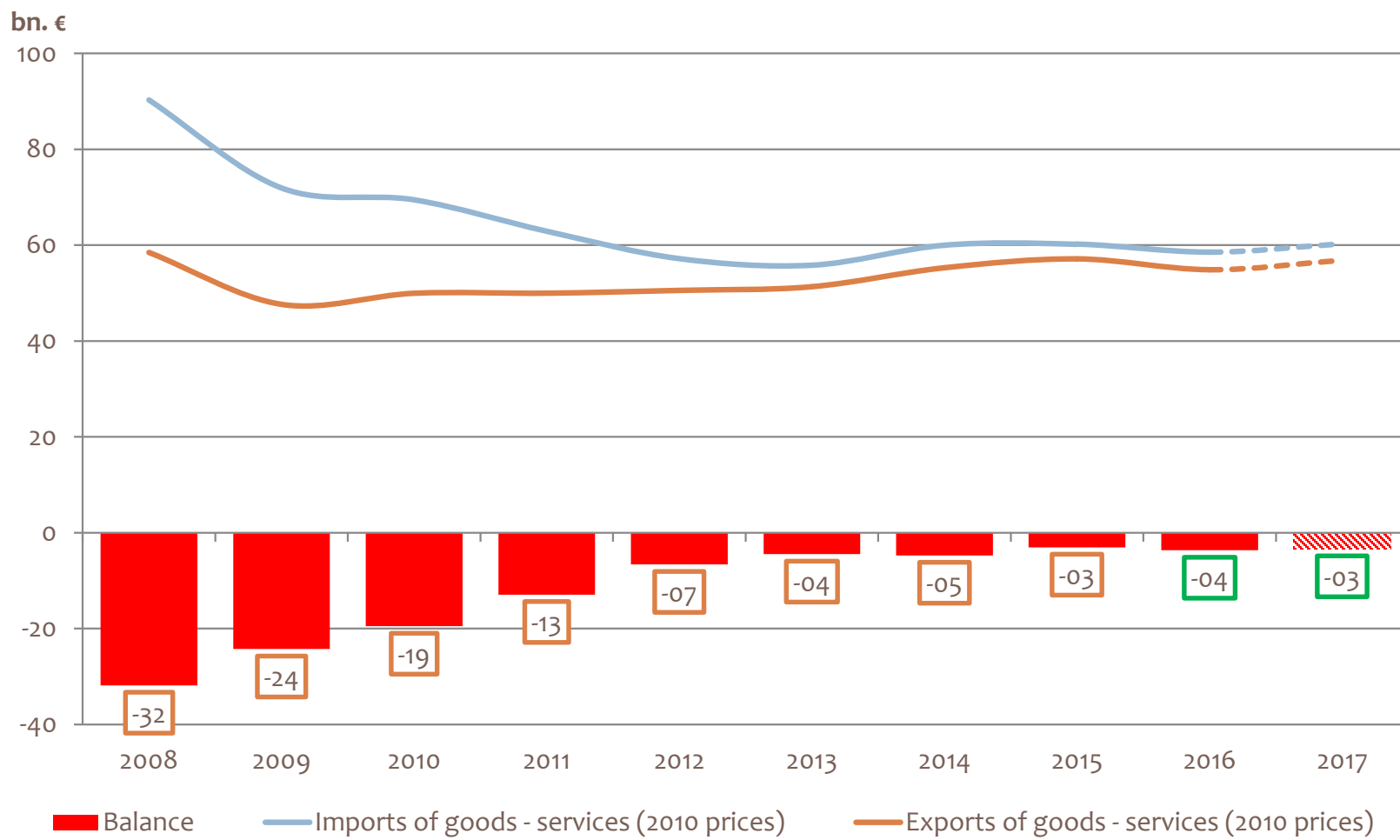
Public sector Gross Value Added (% domestic GVA)



Source: Eurostat

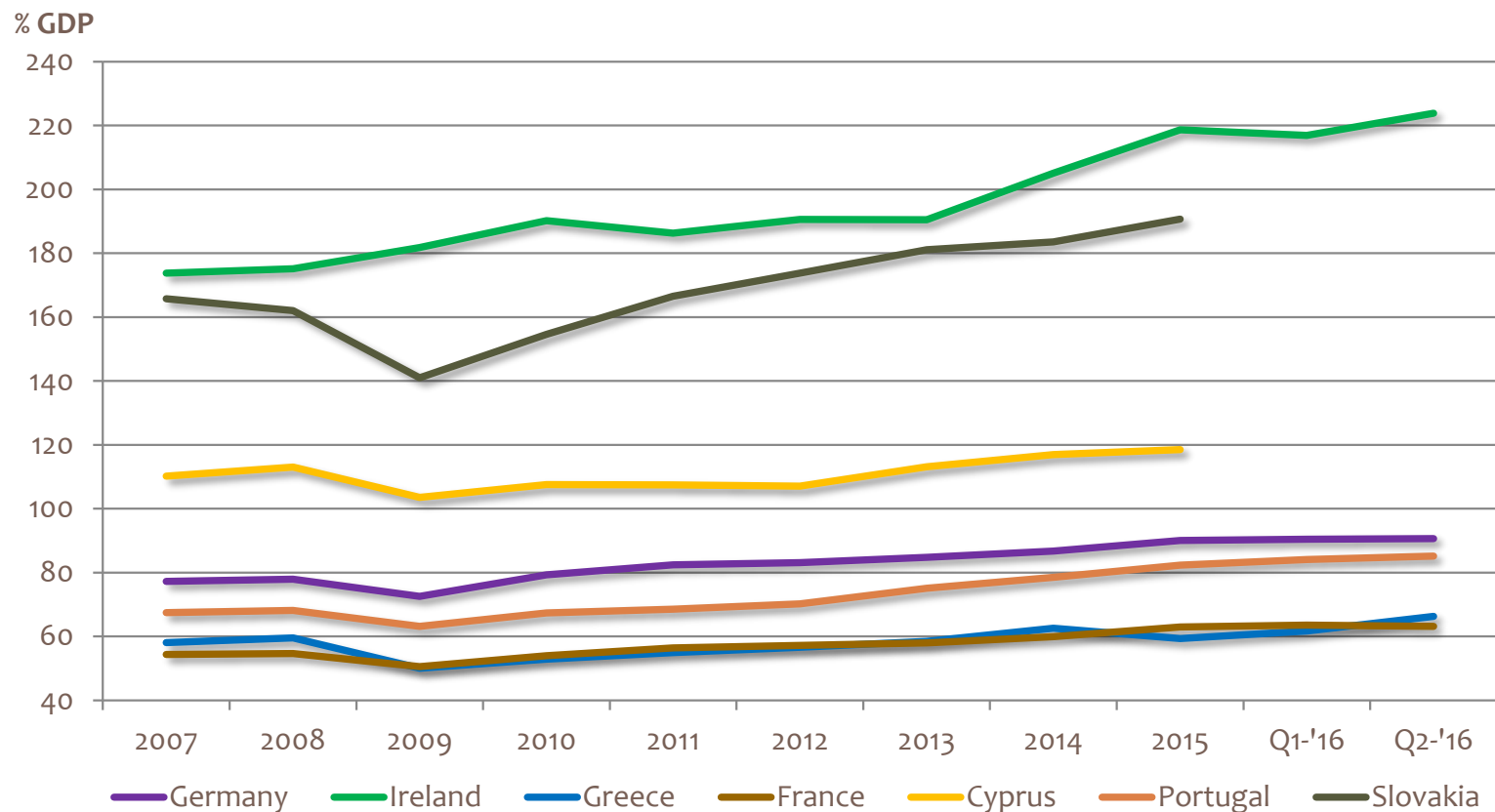
- In comparison to 2008, the contribution of the public sector to economic activity in 2014 was higher by 2 percentage points of domestic Gross Value Added
- The importance of the public sector remains higher in Greece than in the Euro area
 - Between 2008 – 2014, the distance from the Euro area average doubled : from 2 to 4 percentage points of domestic GVA

Trade Balance (goods – services)



Source: AMECO

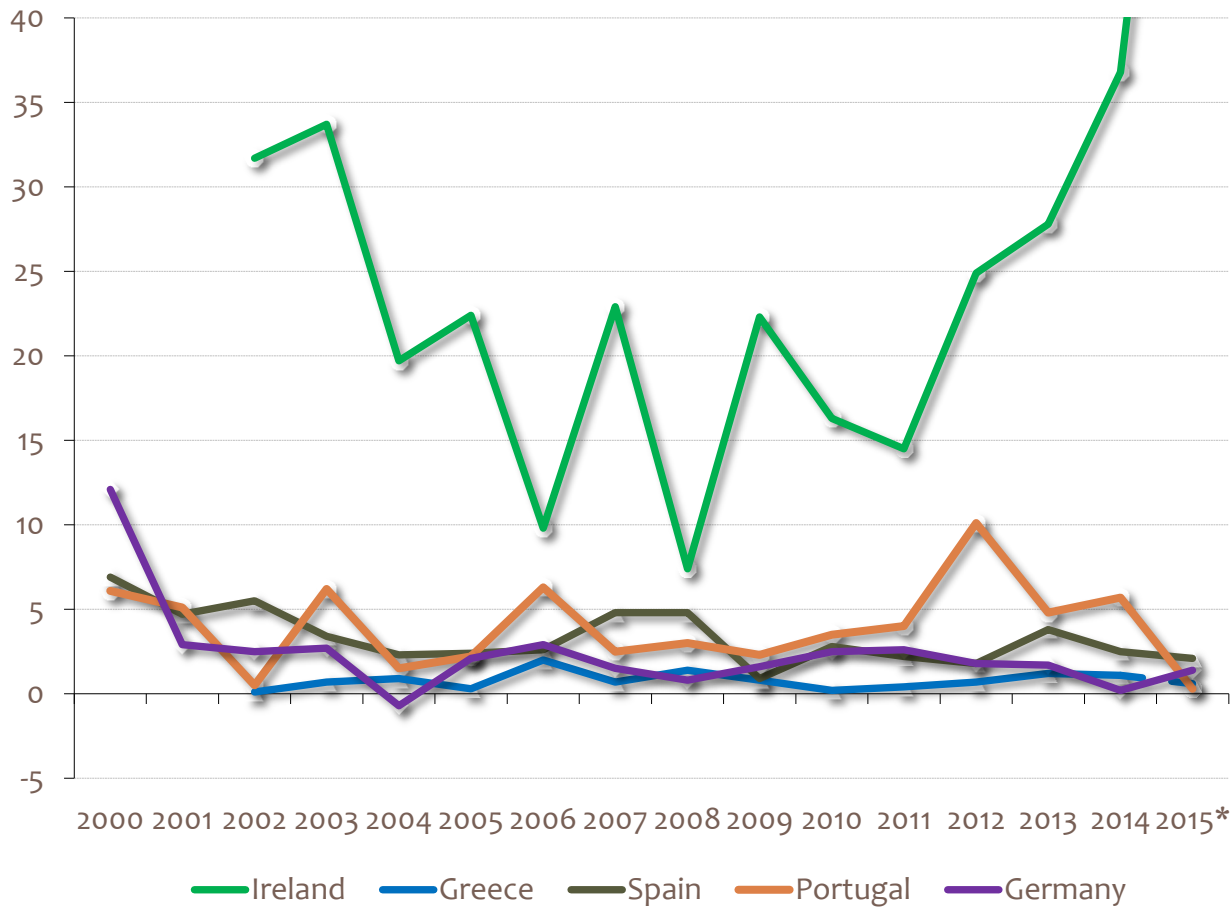
Open economy?



Source: Eurostat

- The sum of imports and exports as a % of GDP in Greece remains one of the smallest in the Euro area periphery
- The Greek economy should be transformed to a small, open economy. However, it remains a closed economy

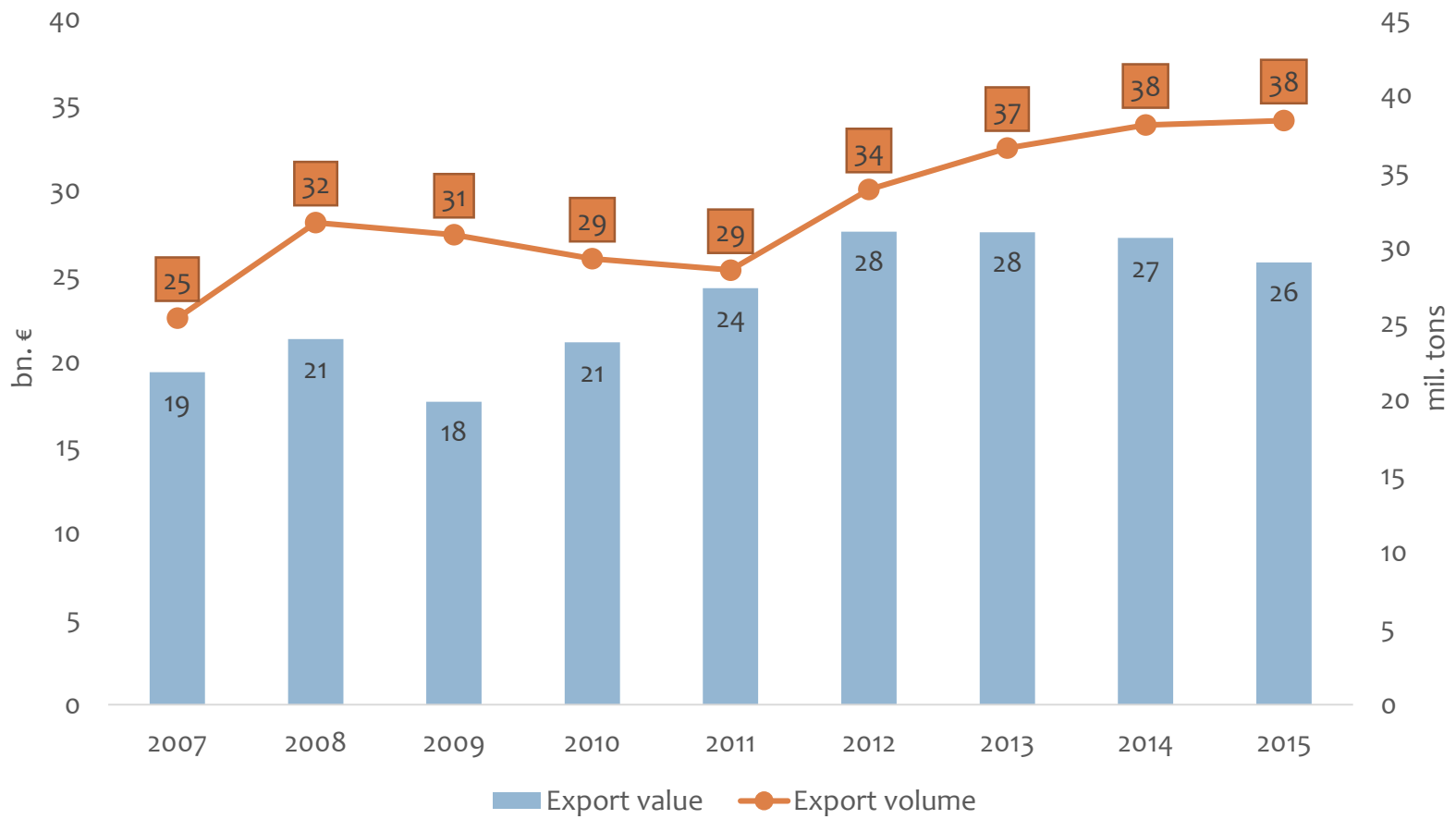
Foreign Direct Investment (% GDP)



FDI (% GDP)		
	2000-2008	2009-2015
Germany	3,0%	1,7%
Ireland	21,1%	30,7%
Greece	0,9%	0,7%
Spain	4,2%	2,3%
Portugal	3,7%	4,4%

* Ireland: 72.3% of GDP
 Source: Eurostat

Exports imports – value vs. volume



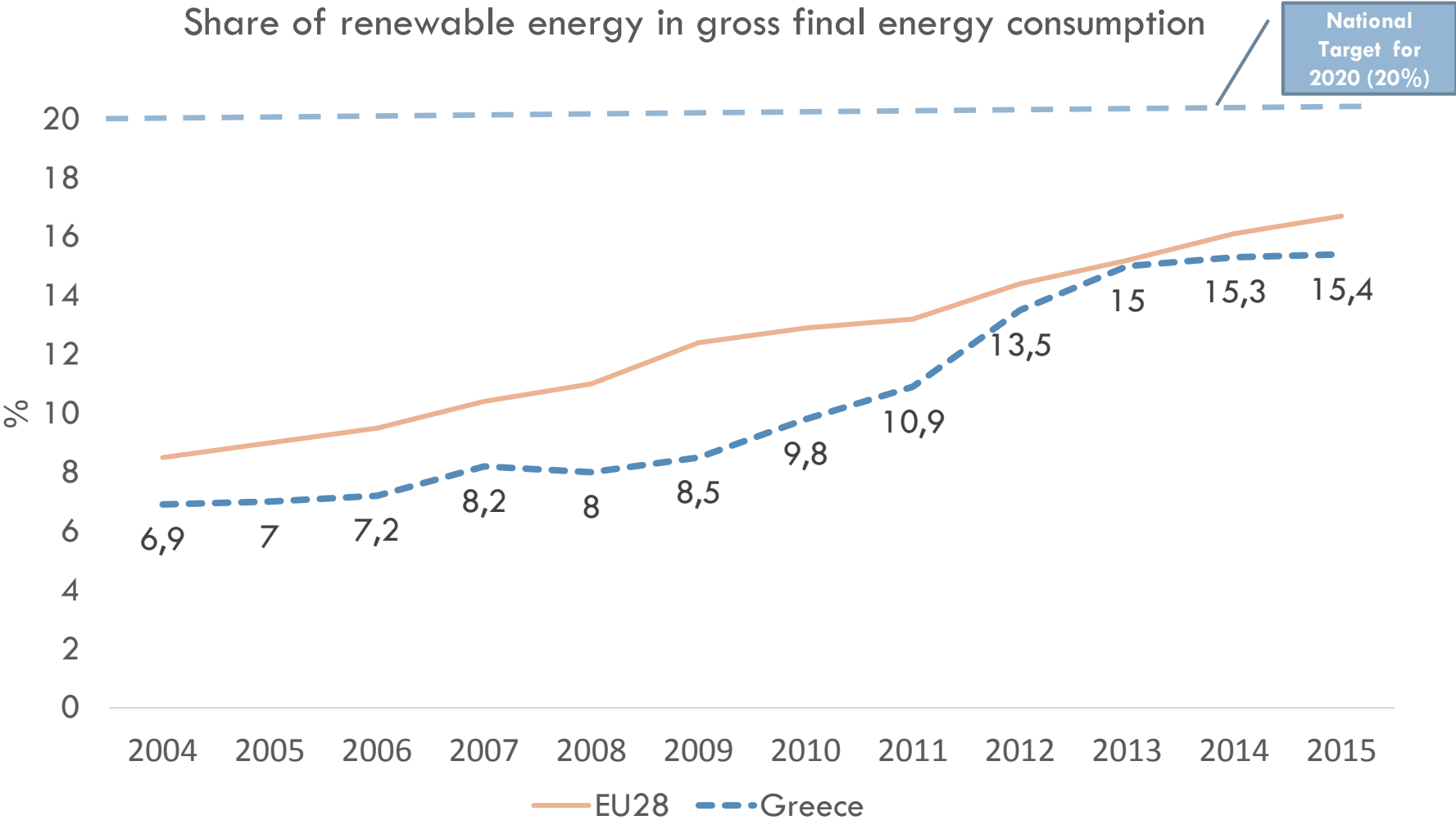
Source: Eurostat

- Change in the value of exports, 2007-2015: +33%
- Change in the volume of exports, 2007-2015: +51%

A new growth model

1. Exports and Investment: increased share in GDP
2. Shift of production from non-tradables to tradables
3. Public sector: quality of institutions, not large employer
4. Education and human capital
5. Environment and energy

Renewable Energy Sources (RES)

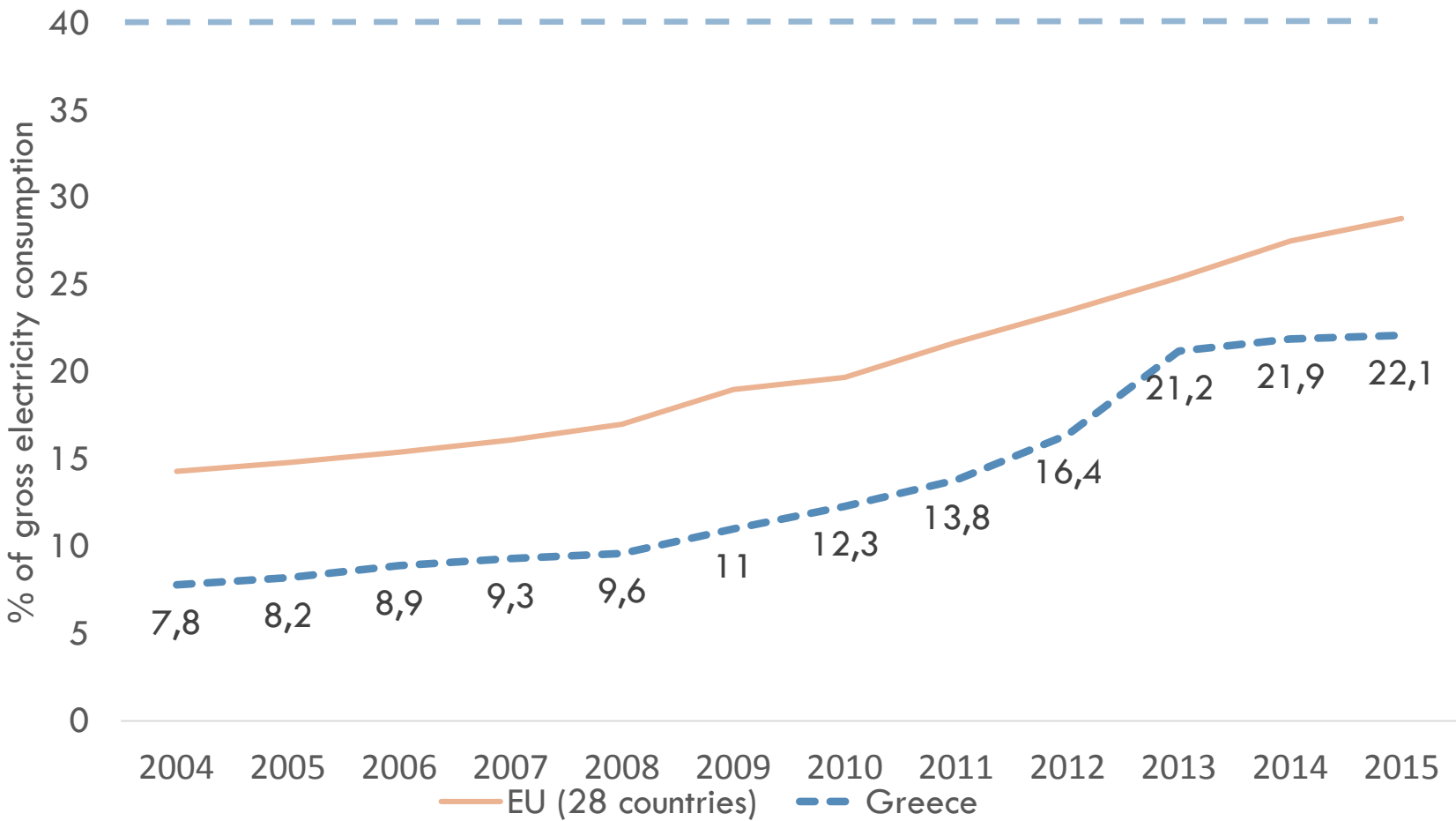


Source: Eurostat

RES in electricity generation

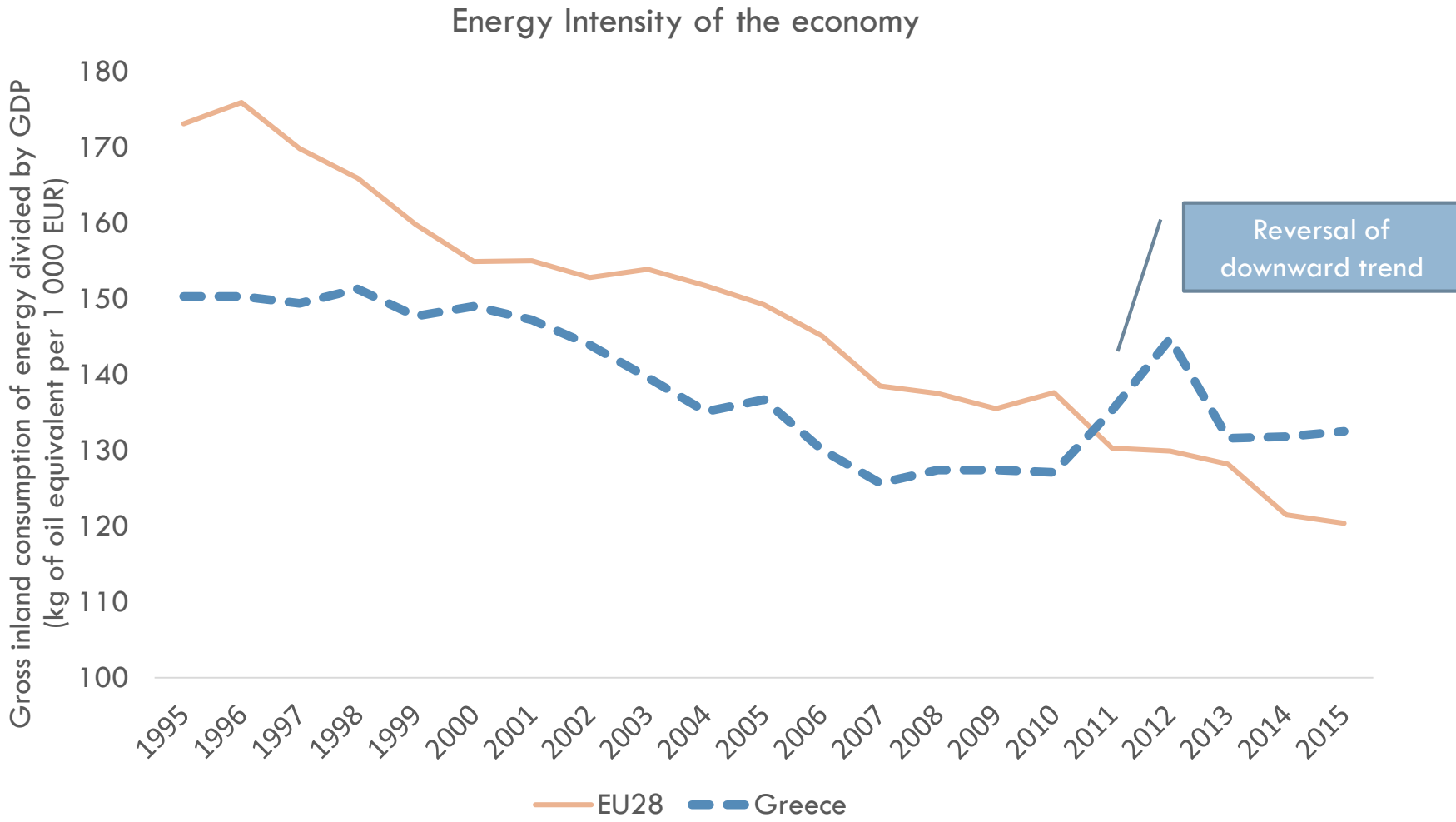
Electricity generated from renewable sources

National Target for 2020 (40%)



Source: Eurostat

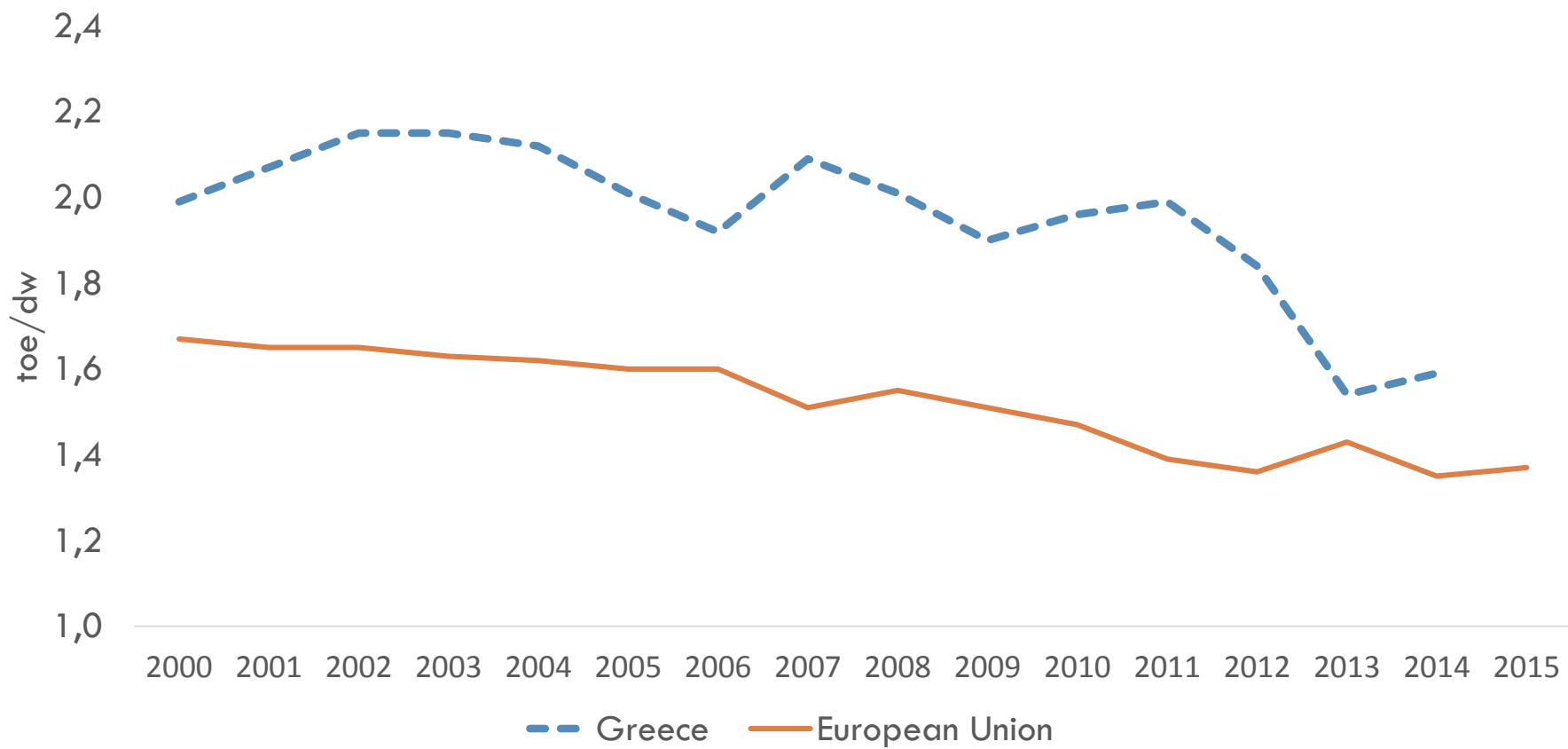
Energy Intensity



Source: Eurostat

Energy intensity of households

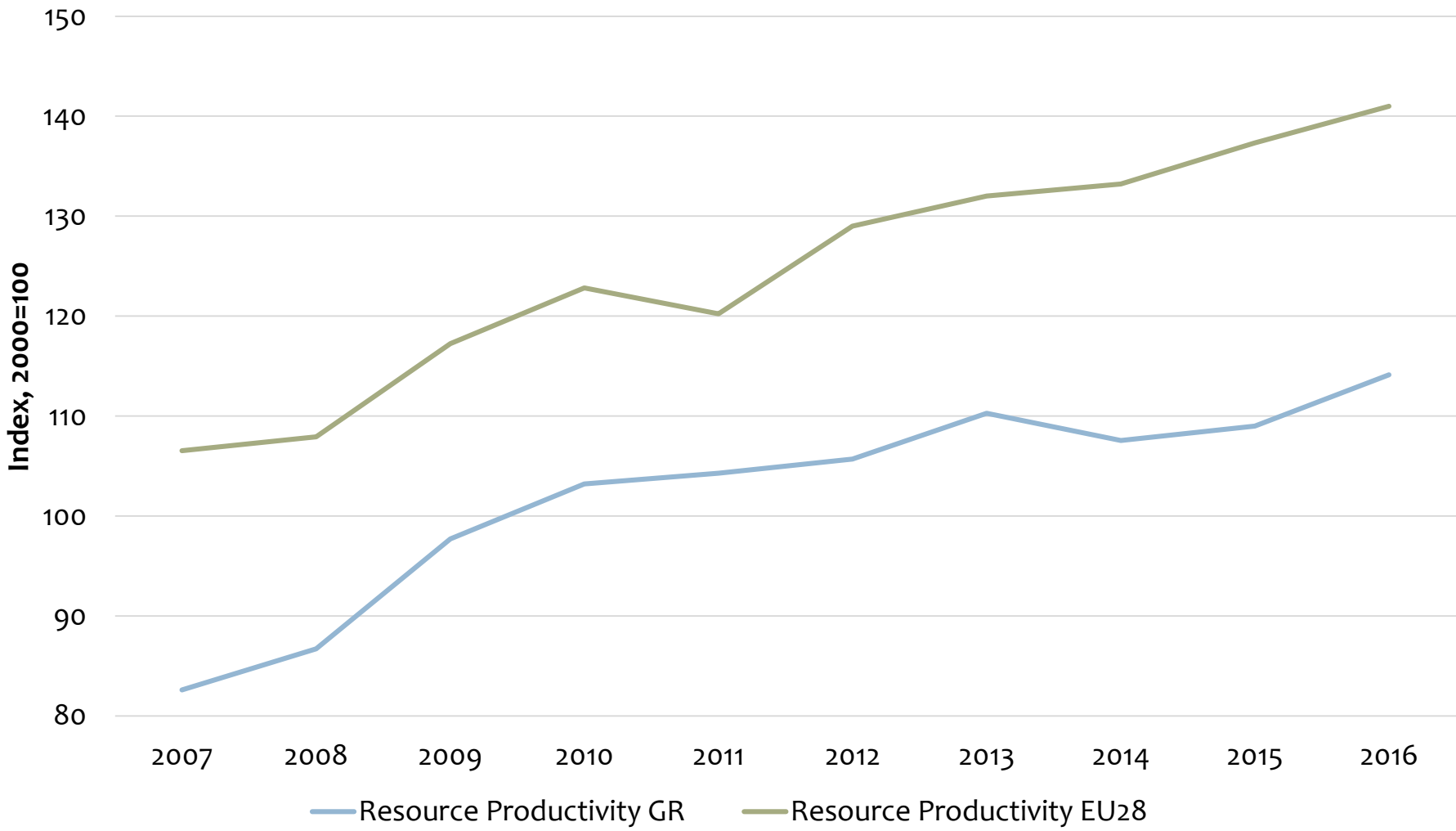
Unit consumption per dwelling scaled to EU average climate



➤ It seems that there is much room for energy efficiency investments in buildings in Greece

Upward trends in resource productivity, albeit lagging behind the EU average

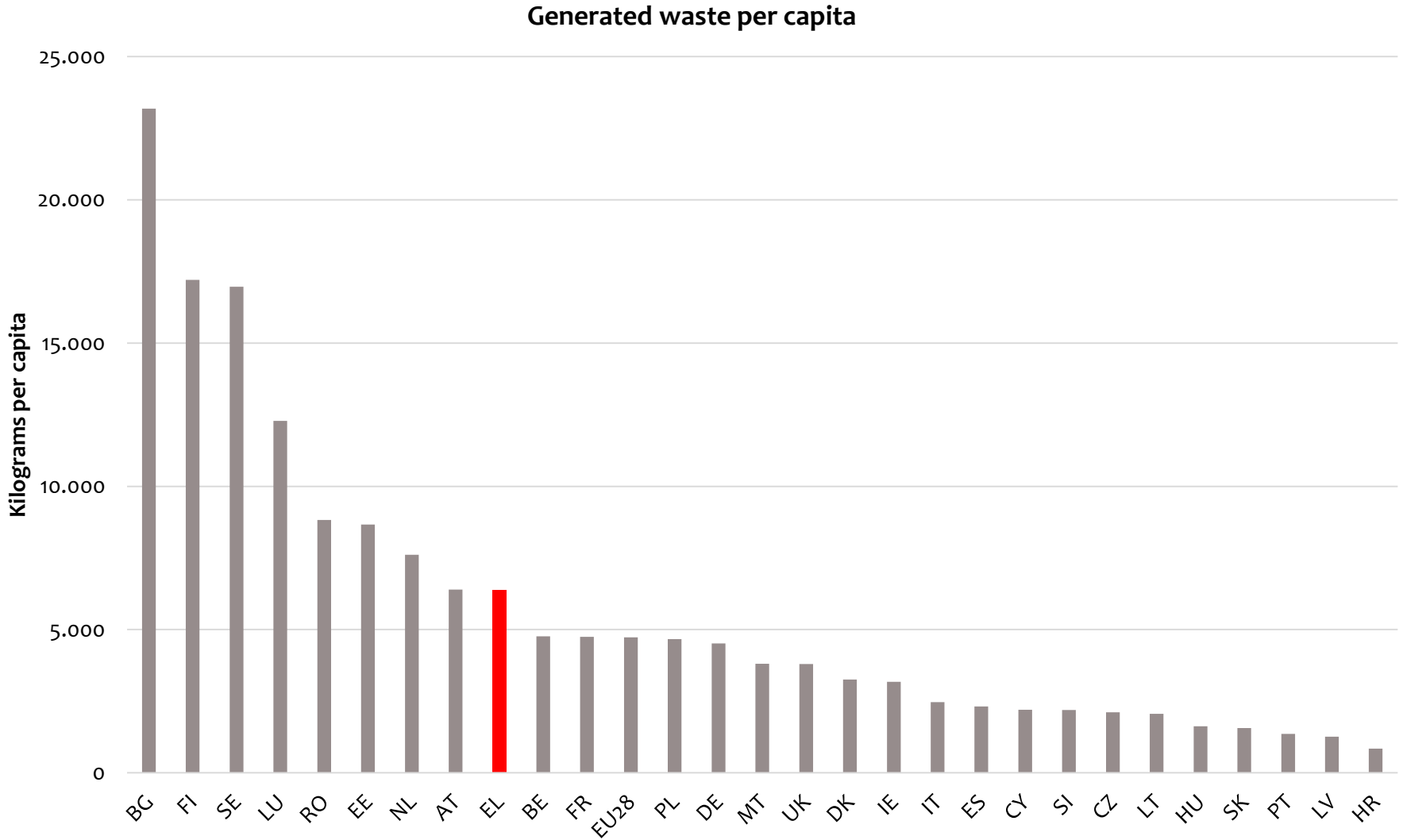
Resource productivity



*Resource productivity is measured as GDP over the total amount of materials directly used by an economy (raw materials extracted plus physical imports)

Source: Eurostat

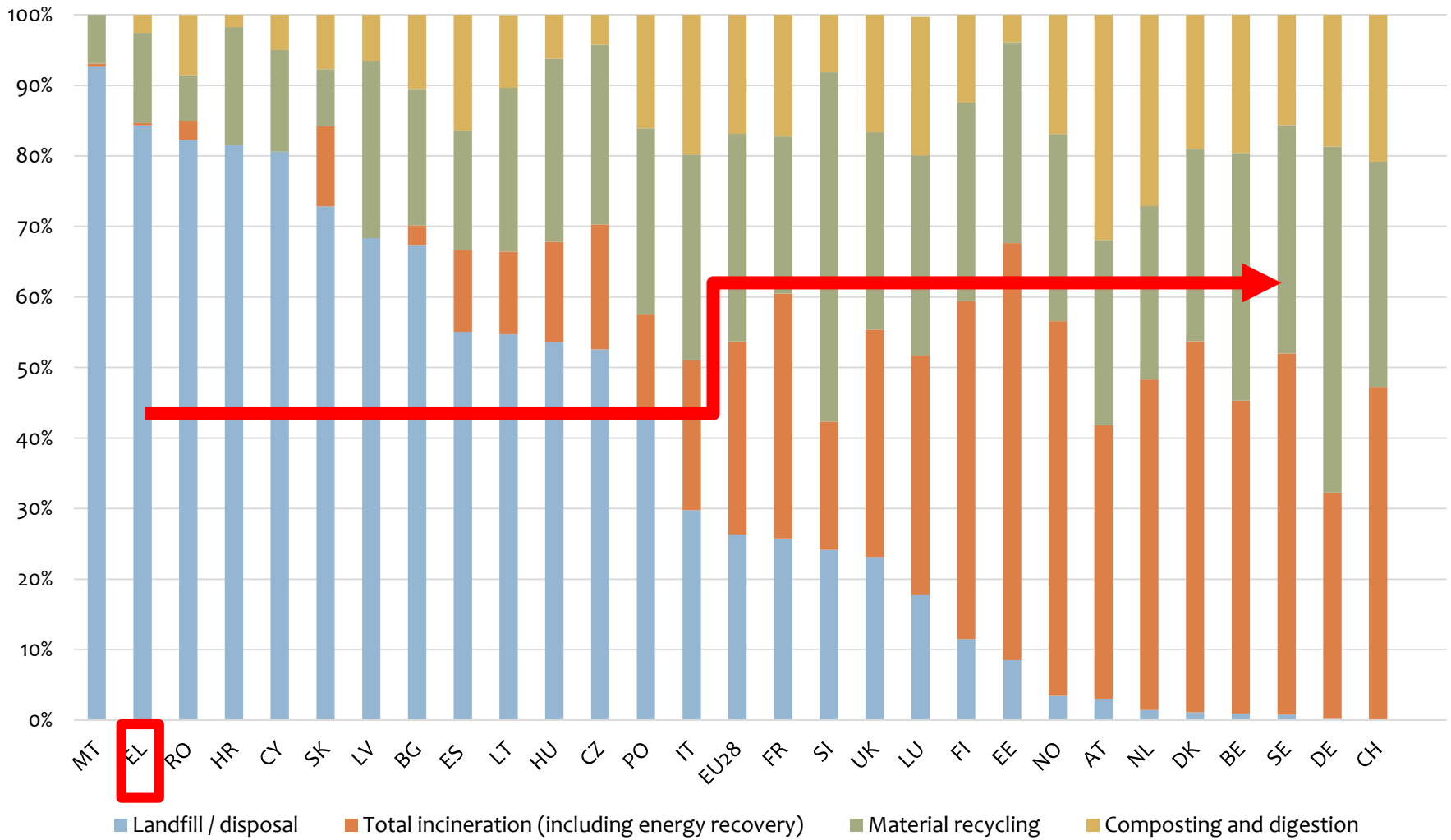
Waste per capita production is near the EU average...



Non hazardous waste from all economic activities, mineral waste included
Source: Eurostat

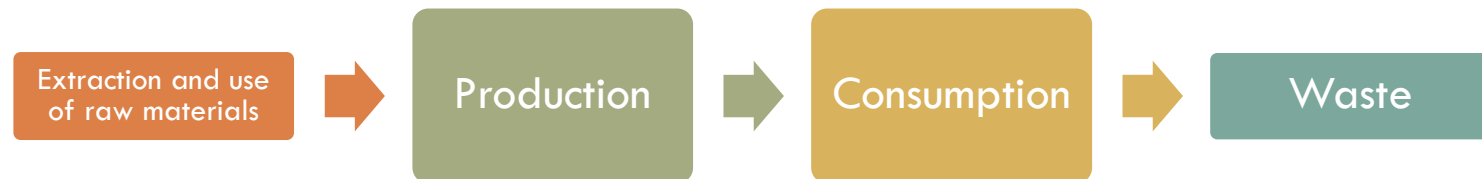
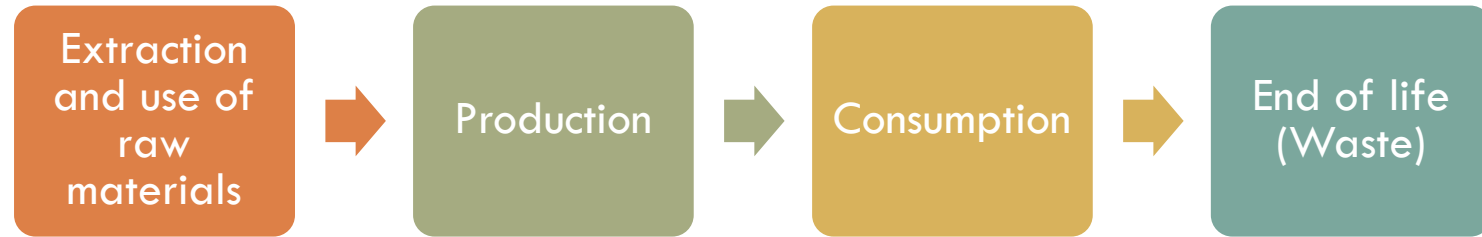
...however, there is much room for improvement towards modern solutions with high added value and lower environmental footprint

Types of municipal solid waste treatment, EU28

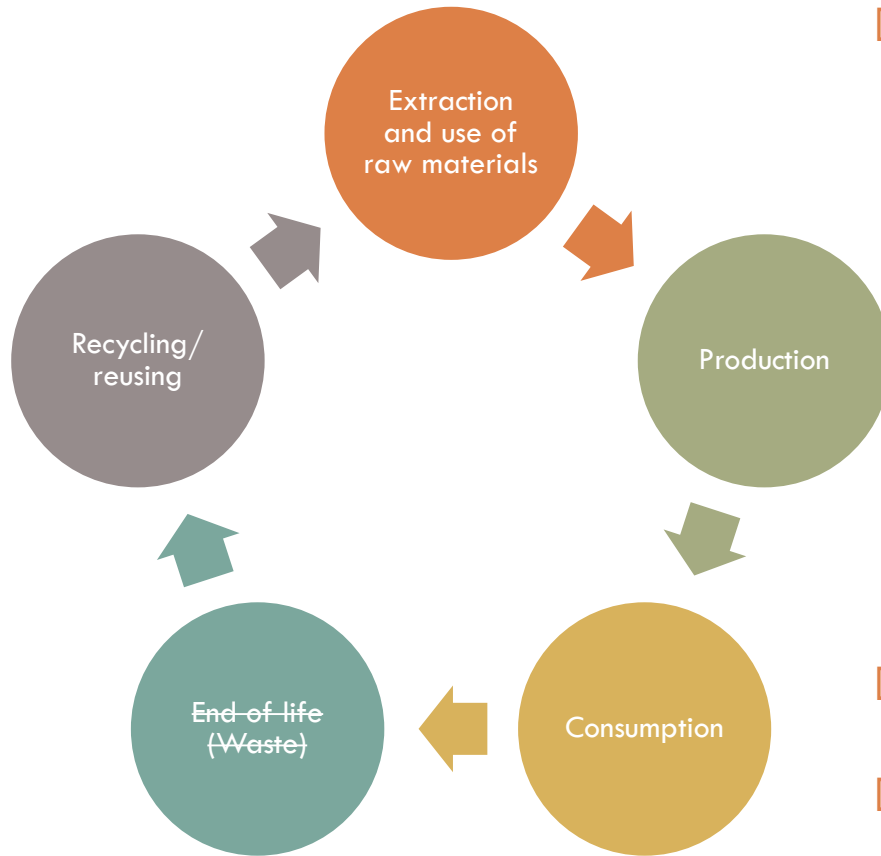


Source: Eurostat

Post Crisis Challenges for Greece: Sustainability in a linear economic system



Post Crisis Challenges for Greece: Sustainability in a circular economic system



□ **Eco-effectivity:**

- Redesign of industrial processes
- Regenerative in terms of natural, financial and social capital

In the long run:

- Business gains
- Employment
- Wealth
- Environmental protection