



Centre international de recherches et d'information  
sur l'économie publique, sociale et coopérative

## GREECE

Institute of cooperation, Athens  
August 1999

<http://www.ulg.ac.be/ciriec/>

# **GREECE**

*August 1999*

**Institute of cooperation, Athens**

## *INTRODUCTION*

It is not far from the truth to say that Social economy has not yet been precisely defined in Greece. Even the term « Social economy » was not in use until a decade or so ago, when the European Union introduced it as « Economie sociale » and made it to include co-operatives, mutual societies, associations and foundations. Until then and even until today, to a lesser extent, the organizations belonging in these groups did not feel as belonging to the same family.

Unlike other countries, in Greece there has been no contact between co-operatives, mutual societies, associations and foundations. Until 1995, there has been no contact even among the various forms of co-operatives. In that year, a Liaison committee was formed, following an initiative of the Institute of Cooperation. Participants in this Committee were all national organs of the various forms of co-operatives but it did not succeed to become a joint formal organ.

At the end of last year, with the encouragement of the Commission, a National Union of Organizations of Social economy (PANCO) was established, where the seats of associations and foundations are still vacant, due to the absence of respective national representative organs. It should be understood that both associations and foundations exist in the country, under a variety of names, but a lot of work has to be done in order to specify which of them fall under the heading of Social economy or Third sector or Third system, all the variants that are used to denote the same thing. The titles of the organizations alone are not sufficient for classification. State organizations may equally well bear the title of foundation.

The Commission has financed a project aiming at the construction of an inventory of the Social economy organizations existing in the country. PANCO, i.e. the National Union of Organizations of Social economy, is in charge of this project which is due to be completed in a few months. The present report has benefited from some early findings of this project.

The volume of information available for each component of the Social economy is different; so this presentation cannot be balanced and cannot provide comparable information for these components. Until now, only co-operatives, and specifically agricultural co-operatives, have always been considered as a single and unified group and have attracted the interest of consecutive governments, to the detriment of co-operatives in most cases. The other forms of co-operatives, as well as mutual societies, associations and foundations have developed spontaneously and their achievements may come to the fore, from time to time, in the form of individual cases.

## ***METHODOLOGICAL FOREWORD***

The sources of information about the Third system are presently scarce. So, in order to acquire the best possible picture, a variety of methods were used depending on the information sought. So, for numerical data, both existing recent and older documents have been used together with direct contact with national organs of organizations of the Third system, where such organizations exist. For non-numerical information, expert knowledge and advice was the initial source for guidance of researchers.

In the case of co-operatives the situation is different for the various forms of co-operation. For agricultural co-operatives recent information on economic activities is nowhere available. In the past, the Agricultural Bank of Greece, responsible for the auditing of agricultural co-operatives, was publishing annually a report with reliable overall information. The last report of this kind was published in 1991. From that year the Bank gradually reduced the staff of the competent service on the basis of transfer of auditing to a new body of auditors to be set up. So, the Bank does not collect relevant information although the body of auditors has not yet been established. Since 1991 lots of changes have taken place in agricultural co-operatives, the outcome of which can only roughly be estimated.

For other co-operatives numerical data and other information have been made available either through the preliminary report of a research project carried out by the Union of Organizations of Social economy (PANCO) or by means of direct contact with the national level organs, where such organs exist. In the absence of national organs, whatever research findings (recent or less recent) could be found have been used where no information about major changes were known to the experts of the Institute.

Non numerical information has been collected from a variety of sources. Members of the Institute have been consulted in order to offer advice on possible sources of information and contacts have been made with relevant institutions and persons.

For mutual societies, the only ones that definitely possess the required characteristics are that of the self-administered health Mutual societies of the employees of three banks and of journalists.

The area where overall information is not available is that of associations and foundations. The previously mentioned research project carried out by PANCO is expected to provide some relevant information but such information is not yet available.

## I

### NATIONAL UNDERSTANDING OF SOCIAL ECONOMY / THIRD SYSTEM

Contrary to the favourable image of the Third system organizations in several countries of the European Union, the situation in Greece is different. There are several reasons for this.

Firstly, agricultural co-operatives, i.e. the major component of the Third system in Greece, are undergoing presently a period of fighting for survival. The 1980s were a period of debt accumulation, due to the implementation of a governmental policy for utilizing agricultural co-operatives as intervention agencies in the market. Intervention, a loss-making business for the co-operatives, was realized by making use of borrowed money. The State, which supposedly was guaranteeing the compensation for these losses, delayed very much the necessary payments, so that with the high interest rates prevailing during that period, many co-operatives came to the verge of collapse and some of the largest ones did collapse. When the government did repay some of the debts it was too late to make good the real losses in terms of market share and in terms of credibility of agricultural co-operatives in the eyes of the public. Indeed the repayment of debts was presented as a charity gesture destined to socially useful but operationally inefficient enterprises. As this repayment of debts was realized in three stages and the amounts in question were sizeable, the message received by the public was that co-operatives are inefficient enterprises relying on public support for their survival.

Another important reason damaging the public image of co-operatives is the involvement of the government (through legislation) and of the political parties in the affairs of agricultural co-operatives, for gaining political benefits, given that these co-operatives have a large membership. Other forms of co-operatives do not face similar involvement and as a result they are doing much better.

On the whole it can be said that the older spirit of state control over institutions created by the people for the people is still indicating its presence. This can be traced also in the case of self-administered health mutual societies. In this case, the government has prepared legislation for their merger with government controlled health funds into a government-controlled institution.

Associations and foundations are the least studied institutions and for this reason overall information is scarce. However, some associations are offering admirable services, creating thus a very favourable image to the public.

Overall it can be said that the public is predisposed very favourably to group initiatives of non governmental character but it is not yet accustomed to consider co-operatives, mutual societies, associations and foundations as belonging to the same group.

## II

### TYPES OF ORGANIZATIONS OF THE THIRD SYSTEM

Inventory Nr 2 refers to the types of organizations and enterprises of the Third system. From the limited information available, it appears that co-operatives are the most numerous organizations of the Third system in Greece, followed by associations, foundations.

#### 2.1 Co-operatives

Among co-operatives, the section of agricultural co-operatives is the largest one with the largest membership. However the widest variety is found among the non agricultural co-operatives (which are defined by law as urban co-operatives).

The legislative framework for co-operatives is neither unified nor stable. Three separate laws provide separately for agricultural, urban and housing co-operatives. Additional provisions exist for some types of co-operatives (e.g. credit co-operatives). During the last two decades the basic law on agricultural co-operatives has changed three times and a new draft law is being prepared since 1997. For housing co-operatives the law has changed twice and the existing law is far from being considered as satisfactory. Further, in the summer of 1999, a new law was passed from parliament about « social co-operatives », including under this heading only the co-operatives of the mentally ill persons!

Co-operatives apply the rule of one-man one-vote and this is defined by the law. Agricultural co-operatives are structured in three levels (local, regional, national). Other co-operatives are structured in two levels or have not yet formed an organ of the second level. All of them serve principally their members but significant direct or indirect benefits accrue also to non-members. Agricultural co-operatives, especially, serve both members and non-members on an equal basis. Urban credit co-operatives and the co-operative banks deriving from their evolution, may serve only members.

The economic performance of co-operatives varies. Some forms of co-operatives (e.g. co-operative banks, co-operatives of electricians, of plumbers, of pharmacists, etc.) are making stable progress. Some others are facing serious problems (e.g. agricultural co-operatives). This difference is attributed principally to policy measures regarding agricultural co-operatives, as mentioned above.

Some numerical data are presented in Appendix Nr 1. However, it is worth mentioning that:

- the share of the market of the co-operatives of pharmacists is 43%,
- the co-operatives of plumbers rate first among their competitors and at a considerable distance from the second,
- the share of the market of the carpenters' supply co-operatives is 15%,

- the women's co-operatives are making steady progress and recently they have formed their national union,
- the credit co-operatives achieve some of the highest ratios of loans per employee.

Social co-operatives is a form developing spontaneously and remaining in the shadow. No information is yet available for this form of co-operation. An example of such co-operative is presented in Appendix Nr 2. In the summer of 1999, a law was voted in Parliament concerning the social co-operatives of persons suffering from mental disorders.

In several cases, co-operatives report attendance of seminars by their members and staff. However, it appears that the ratio between the numbers trained and membership is low.

In a few cases co-operatives have developed business partnerships either domestically among the various forms or with co-operative organizations of other countries. Consumer co-operatives, for example, make joint purchases with a large number of unions of agricultural co-operatives operating supermarkets and with quasi-co-operatives of small supermarket owners. The same consumer co-operatives have established links with Italian consumer co-operatives. Another example is the participation of foreign co-operative insurance companies in the share-capital of the Greek insurance company *Syneteristiki*. It is expected that such linkages will increase as more co-operatives realise the need for increasing their competitiveness and the need to take positive steps to that direction.

## **2.2 Mutual societies**

Until the Second World War there have been several examples of mutual insurance funds, most of them adopting the legal form of co-operative. Examples of mutual insurance co-operatives can be found in the agricultural sector, concerning damages from animal diseases or from weather damages to crops. But few examples can be found also in industry and in the services sector. For instance, industrialists in Piraeus established a mutual insurance co-operative for spreading among themselves the burden of compensation in cases of labour accidents. Also, shipowners were establishing mutual insurance co-operatives to insure their ships against damages suffered in the sea or by fire or because of war.

In more recent times, the State and private insurance companies took over many insurance functions, so that the earlier forms of mutual insurance were weakened. Social insurance for the workers took the form of a State fund and a similar institution was established in 1961 for the farmers and farm labourers. Separate pension funds have been established by the different professions, so that today there is a mosaic of institutions caring for pensions and health insurance with or without state financial support.

No central institution or federation of some kind exists for mutual funds. For this reason no general reference can be made to the whole family. Instead, as an example, reference will be made to the Health funds of bank employees and of journalists.

Health funds of bank employees have been established by the employees themselves. Although these funds, one for each bank, are similar in all respects, some have the legal form of Legal Entity of the Civil Code and the remaining have the form of Legal Entities of the Public Law. The Legal Entities of the Civil Code are independent and self-administered. The Legal Entities of the Public Law are administered by boards of directors appointed by the Ministry of Health.

True mutual societies are the self-administered health funds. These are the health funds of the National Bank of Greece, of the Bank of Greece, of the Agricultural Bank of Greece and of the journalists. All four of them have recently formed the Federation of self-administered health funds of Greece and have accepted the other health funds as auxiliary members to the Federation.

The self-administered health funds operate under the law of civil societies and they elect their board of directors every three years. The Federation, through its members serves about 110 000 persons. All health funds are financed through contributions of the employees and of the employers, are financially viable and they offer high standard health care to their members.

The health fund of the employees of the National Bank of Greece, with a history of nearly 70 years, is offered as an example. It operates its own:

- General clinic in Athens with 80 beds
- Outpatients' medical examination centres in Athens and in Thessaloniki
- Laboratories of Microbiology and Pathologoanatomy
- Centres for Physiotherapy in Athens and Thessaloniki
- Three campings, which are also used for children in need
- Two hotels for summer holidays
- Exchanges with other countries for winter and summer holidays
- Old-age pensioners' residential establishment with 136 beds.

The primary concern of the self-administered health funds is the intention of governments to include them in a single social insurance fund of a public nature, an intention to which they reasonably object, basing their arguments on the low standard of health-care provided by the existing public health-care institutions.

### **2.3 Associations**

A very wide variety of associations and foundations exist in Greece under an equally wide range of names, legislative forms and activities. Preliminary findings of the inventory attempted by PANCO refer to more than 3 000 associations.

A rough grouping of the interests that unite individuals in associations are: culture, athletics, religion, theater, music, dance, environmental interests, photography, cinema, cycling and motorcycling, history, touring, philanthropy, singing, library establishment, tradition, ecology, forest protection, healthy food, parent advancement, horse riding, philately, blood donation, painting and sculpture, nautical activities, hunting, mutual help, animal care, mountaineering, Byzantine music, chess, and many other.



The activities of these voluntary associations add quality aspects to the life of town and village population, give the opportunity of talents to emerge and hobbies to be exercised, assist in the emergence of management and leadership qualities, provide socially desirable ways for utilizing the leisure time and also create a climate of friendly relations, so necessary for social development and solidarity.

In the area of associations, some organized and systematic information has been made available by the National Centre of Social Research. This information refers specifically to Non-governmental organizations for ecology and the environment and is the outcome of research projects assigned to the Centre by the Ministry of the Environment, Town-Planning and Public Works.

The environmental team of the Centre that was charged with these projects, has registered 196 environmental organizations of which 83 are seated in Athens, 11 in Thessaloniki and 102 in the rest of the country. The team has made use of secondary sources and also collected information from field-work through questionnaires and interviews with representatives of these organizations.

Less than half of these organizations belong to larger groupings (national or regional). Such larger groupings are:

- The Panhellenic network of Ecological Organizations (32 members)
- The Network « Voluntarism and Natural Environment » (30 members)
- The Federation of Ecological Organizations of the Korinthian Gulf (13 members).

Some of the findings of these projects are the following:

The majority (49.5%) of the environmental NGOs takes the legal form of association, 36.8% are civil non-profit societies and 9.5% are informal groups (the legal form of 4.2% is not known).

The organizational structure basically includes the general meeting of members as the apex organ, convening regularly once a year, in most cases, the board of directors, elected by the general meeting, usually for one year and committees or working-groups, that assist the board of directors. This organizational structure may often have theoretical value, whilst in practice the operation of the association depends on the activity of the persons that constitute the founding core.

Most of these associations owe their emergence to the initiative of small groups of persons. Their targets to increase membership by attracting new members does not always prove successful. A breakdown by size gives the following picture:

- 30.6% have less than 20 members
- 21.9% have 21-50 members
- 16.3% have 51-100 members
- 31.2% have more than 100 members.

The main areas of activity, as stated in their statutes and as derived from the replies of their representatives to questionnaire, can be grouped as follows:

a) Natural environment

Some 163 out of 196 organizations surveyed (i.e. 83.2%) are dealing with the natural environment and matters of environmental protection.

b) Man-made environment

Environmental and housing problems of urban areas, constitute areas of interest of 49% of the total number of organizations.

c) Cultural heritage

This area of activity concerns the preservation of customs, monuments and historic buildings, cultural and folkloric elements and other social practices that constitute the concept of tradition.

The project has revealed that the general characteristics of the members of the environmental organizations are as follows:

- There is a clear predominance of younger people, particularly of the age group 31-40 years. 70% of members are men and 30% women. Some two thirds of members are married and one third single.
- There is a substantial difference in the educational level between the members of environmental organizations and that of the general population. 16% of the members have postgraduate degrees, 46.7% have university degrees and 8.4% have attended higher studies.

One of the most important parameters influencing the functioning and the effectiveness of environmental organizations is the availability of resources. Often, the unavailability of resources may be the decisive factor determining the size of operations. The project has produced the following picture with regard to the sources of finance:

a) Member subscriptions

This is the most common source of finance, although most organizations make efforts to reduce their dependence on it.

b) Sponsorships

Many environmental organizations make a systematic effort to attract sponsors either in the area of large private enterprises or among the national and international foundations.

c) Income from activities

Some of the activities of the environmental organizations (concerts, fairs, guided tours, etc.) may be income generators. This source of income produces limited results due to organizational inefficiency and limited possibilities for promotional activities.

d) Governmental funds

Some funds from governmental sources have been made available in recent years, deriving principally from the Ministry of the Environment, Town-Planning and Public Works and from the Ministry of Agriculture.

e) Local Authority funds

This funding takes two forms, either for rendering support for measures of environmental nature or for preparing studies for similar problems.

f) European Union funds

This is a promising source of funding. DG XI of the E.U., which is in charge of environmental issues, has initiated relative programmes and under the Community initiative LIFE is providing financial support to environmental organizations in all European countries.

Some 5% of the members of environmental organizations have declared that they have the work in the organization as their principal occupation.

As mentioned above, overall information about Greek associations is not available. In order to give an idea about the important role played by some of these associations, three cases have been selected and are presented in Appendix Nr 3.

## **2.4 Foundations**

Foundations may be either public or private. Their titles are not sufficient to denote their status. Some of the major public foundations are Social Insurance Foundation (IKA), the State Scholarship Foundation (IKY) and other.

Foundations to be classified in the Social economy are those deriving from the initiative of individuals and are under their control. Such foundations are numerous. Most of them play the role assigned to them by donors, who left their property to be managed by trustees. More than 50 such foundations, bearing the names of the founders, have their seat in Athens and additional ones can be found in the rest of the country. Of the largest ones are the Onassis Foundation, known for the Onassis awards, and for its educational and health programmes, the Bodossakis Foundation, the Goulandris Foundation, the Tossitsas Foundation, the Evgenidis Foundation and others.

All foundations are either charity organizations or they serve the general interests of society. Some finance special schools or hospitals for chronic diseases, or the care of old age people or orphans. Others support poor artists, provide for the education of blind or deaf and mute persons, for the protection of persons needing special care etc. Other care for drug addicts, train invalid persons, etc.

The employment situation in the Third system is not clear in Greece, because systematic information is not available. The general picture shows that with the exception of agricultural co-operatives, which are undergoing a difficult period of attempted stabilization, the organizations of Social economy are contributing to employment generation in direct and indirect ways. Directly they contribute by creating employment opportunities to their members (e.g worker co-operatives) or to salaried employees (e.g. consumer and other forms of co-operatives, mutual societies, associations and foundations). Indirectly, they contribute in maintaining the jobs of their members (farmers, electricians, plumbers, pharmacists, etc.) or in as an impact of their operation (e.g. the establishment of agritouristic co-operatives promotes tourism and the jobs connected with it, such as handicraft, gift shops, etc.).

In view of the unavailability of information for the principal and most numerous sections of Social economy, a rough estimate has been attempted for the direct contribution of Social economy organizations to employment. To this effect, what may be called a «Delphi method» has been used, i.e. a combination of available information with expert estimates. The outcome of this exercise has produced a figure close to 2% for 1997, i.e. some 70 000 jobs out of 3 850 000 working persons.

### III

#### **SUPPORT ORGANIZATIONS**

Inventory Nr 3 refers to types of support organizations and resource centres for organizations/enterprises of the Third system.

Organizations aiming at supporting the Third system are few and weak. The small number of non-agricultural co-operatives and the weak linkages (if any) among them, the weak economic situation of the numerous agricultural co-operatives and the absence (until recently) of the sense of belonging in the same group by the components of the Third system, have all contributed negatively to the development of support organizations.

For the entire group of organizations of Social economy, the Union of Organizations of Social economy – PANCO - (established in late 1998) aims to act as both representative organ and support organization for Social economy. For co-operatives, the largest section of Social economy, two independent institutions direct their efforts towards research and studies and ideological support. They are financed through members' subscriptions and voluntary grants.

Due to the extensive problems of agricultural co-operatives, the main concern of these institutions has been to support the return to the proper co-operative route. Their effectiveness has been limited.

## IV

### PUBLIC POLICIES

Inventory Nr 4 is about types of measures of support of public policy. A review of the policy measures addressed to all (or various) kinds of enterprises and groups of individuals, results in a collection of cases referring also to co-operatives. There are, however, cases where such measures are addressed specifically to co-operatives or mutual societies.

Several measures concerning the encouragement of self-employment and the acquisition of professional experience by unemployed persons are applicable also to persons working together in the form of co-operative or of a non-profit enterprise. Such measures originate mostly from European Union programmes for combating unemployment and are administered by the competent national authorities.

Agricultural co-operatives may benefit from investment incentives aiming at the economic and regional development if they are involved in specified investments. Agricultural co-operatives enjoy a somewhat more favourable treatment in these cases (comparing with other enterprises) but it is required that own contribution to the investment has to derive from new equity capital or from specially denominated reserves. This requirement has been obviously adopted in order to press members to increase the equity capital of their co-operative and to rely less on bank loans, but cannot be easily met.

Some policy measures refer specifically to agricultural co-operatives and are included in the co-operative legislation or in the taxation law. Incentives are offered to agricultural co-operatives to encourage mergers. Merging co-operatives are exempted from certain taxes and duties and are offered incentives for investments and for reorganization and strategic studies. Agricultural co-operatives are also exempted from certain taxes and duties regarding their registration, the modification of their statutes, the payment of members' shares, the transfer of property assets between co-operatives, the purchase of property assets, the conclusion of contracts with public entities, etc. Educational programmes, carried out by co-operatives, are also supported by the Ministry of Agriculture.

The general taxation law provides for exemptions from taxation of certain incomes of agricultural co-operatives. Incomes not exempted are, among other, those deriving from industrial processing of agricultural products and those deriving from direct sale of products to consumers.

Agricultural co-operatives may benefit from a Co-operative assistance fund, administered jointly by the Agricultural Bank of Greece and the Confederation of Agricultural Co-operatives in those cases where they use consultants, they organize training programmes or commission studies of their immediate interest.

Non-profit legal persons are taxed at the normal tax rate (35%). However, if these legal persons evidently serve social purposes, their incomes deriving from rents are taxed at a rate of 10%.

Sponsorships and donations are also taxed at a rate of 20% if they exceed EUR 300. Although this taxation has been criticized, it is still in force and discourages this source of income of non-profit institutions.

## GENERAL CONCLUSION

It is only recently that the Third system, as a sector with common characteristics, has started being examined in Greece; for this reason, only limited and insufficient information is available. So, although all forms of organizations of the Third system exist in the country and some of them may flourish as individual units, overall information is not yet at our disposal. Even for the largest section of the Third system, i.e. agricultural co-operatives, information is outdated because of changes of the auditing system for co-operatives.

Under these restrictions regarding availability of information it is not feasible to give a clear overall and up to date picture of the role of the Third system in the Greek economy and specifically in retaining work places and creating new employment opportunities. An indication of the employment impact of co-operatives can be derived from some types of non agricultural co-operatives. The fast growing credit co-operatives, consumer co-operatives, co-operatives of electricians, of pharmacists and of plumbers as well as agritouristic co-operatives contribute both directly and indirectly to job creation. But for the entire Third sector only a rough quantitative assessment can be made. This brings the total employment in the Greek Third sector to around 2%.

Public policy regarding the Third sector is a mixture of positive and negative elements. The richest segment of this policy refers to co-operatives. On the positive side one can refer to incentives offered to agricultural co-operatives for investments and for mergers, a partially differentiated tax treatment, some exemptions from taxes and duties and support of training programmes.

On the negative side the most important element is legislation. Co-operative legislation consists not of one framework law but of three separate laws: one for agricultural co-operatives, one for urban co-operatives and one for housing co-operatives. Recently (May 1999), a law on « Development and modernization of services regarding mental health » has introduced the rules to be applied for social co-operatives. Social co-operatives under this law are the ones pertaining to the socio-economic and professional integration of persons with serious psycho-social problems.

Apart from differences between these laws on essential co-operative regulations, the law on agricultural co-operatives has changed three times during the last twenty years. The law in force presents serious weaknesses in the form of provisions that either impose unnecessary restrictions or encourage the involvement of political parties in the elections of co-operatives. Also, the contractual relations between the personnel and the co-operatives are regulated by a ministerial decision in a way not very different from that for civil servants.

The public policy until a few years ago regarded agricultural co-operatives as organs appropriate for implementing social policy in the agricultural sector by means of intervention in the market of



agricultural products. Agricultural co-operatives have suffered severe damages due to debt accumulation (see Section Nr I).

Self-administered health mutual societies are currently concerned about the introduction of legislation leading to their incorporation into a public health-insurance organization (see also Section Nr I).

In general it can be said that successive governments have indicated that they feel uneasy towards member-controlled organizations and attempt to exchange support with direct or indirect control over them.

Regarding the potential of development of the Third system, one has to consider the constituents of the sector separately.

For agricultural co-operatives it can be said that the climate prevailing in the country is not encouraging the use of this form of enterprise. What is heard and seen in the press is negative commentary about the failure of agricultural co-operatives and this is taken to mean that the institution itself is not appropriate for meeting today's needs.

On the other hand, a number of parameters indicate that it will not be easy in the future for governments to proceed in the same lines of the past with regard to agricultural co-operatives. Governments will not be in a position in the future to make use of interventions, because such actions distort competition. Secondly, the farmers themselves will feel the impact of intense competition due to the internationalization of the economy and they will have to search for ways to reduce costs and improve the prices received for their products. They will realize that without the presence of their own enterprises in the market they will be the recipients of a small and inadequate portion of the price paid by the consumer, after the other partners in the chain have received their fair share.

All these indicate that, even in agriculture, necessity will force farmers to start re-thinking about the use of the co-operative instrument. Some indications to that direction are already apparent.

Consumers' co-operatives are steadily growing but membership is still small. They have not managed to pass the message to large sections of the population, especially in Athens, where they operate more or less in the shadow. The negative public impression deriving from agricultural co-operatives makes such an effort very difficult. On the other hand, the competition of the big supermarket chains with their ability to make attractive advertisements and special offers restrict their appeal.

The co-operation, under the same umbrella, of consumers' co-operatives, of agricultural co-operatives operating supermarkets and of partnerships of grocery stores has been an important development in the area of joint purchases. The development of partnerships with processors and with consumers' co-operatives of other countries have already been set in motion with seemingly good prospects.

Other forms of co-operatives seem to make good progress. They operate efficiently and increase their share in the market.

The future of self-administered health mutual societies is at stake. Legislative measures are oriented towards their inclusion in a single public health fund. The existing mutual societies react to that and insist in their right and the right of the other existing health funds to self-management. Their reasoning is valid and obvious, as they offer health services to their members of a significantly higher standard.

As for the associations and foundations, they operate in the shadow but a number of them provide very important services to community.

In conclusion it can be said that what is principally missing is the understanding, from the part of the policy makers, of the importance of Social economy. It is expected that with the interest shown in the European Union about Social economy and the general recognition of the economic and social importance of the Third sector, the attitudes in Greece will change.

## APPENDIX 1

### A general picture of Social economy

Type	Central organ	Member organizations	Members	Geographical coverage
<b>I. CO-OPERATIVES</b>				
- Agricultural	PASEGES	*7 137	*851 487	Entire country
- Consumers	PEKAS	112	50 000	Most regions
- Credit	ESTE	27	60 824	More than 50%
- Pharmacists	OSFE	29	3 807	More than 65%
- Plumbers	POSEYD	31	1 535	Close to 65%
- Electricians	POSIE	25	1 696	More than 50%
- Carpenters	POVISIX	22	2 052	More than 50%
- Artisans	-	-	2 500	-
- Insurance	SINETERISTIKI	60	-	Entire country
- Housing	-	450	143 482	-
- Worker	-	-	-	-
- School	-	200	14 000	Less than 50%
<b>II. MUTUAL SOCIETIES</b>				
- Health Funds	OATYE	4	**110 000	Entire country
<b>III. ASSOCIATIONS/ FOUNDATIONS</b>				
	-	3 354	-	Entire country

\*Data for 1992

\*\* Number of persons served

Evolution of co-operative banks and credit co-operatives

	1995	1996	1997
<b>MEMBERS OF THE UNION</b>	21	21	27
- Co-operative banks	6	7	9
- Credit co-operatives	17	14	18
<b>MEMBERSHIP (physical persons)</b>	49 097	51 596	60 824
- Co-operative banks	37 114	40 440	48 272
- Credit co-operatives	11 983	11 156	12 552
<b>OUTLETS</b>	25	27	36
- Co-operative banks	10	13	23
- Credit co-operatives	15	14	13
<b>CUSTOMERS</b>	31 497	43 793	51 189
- Co-operative banks	28 725	42 593	50 245
- Credit co-operatives	2 772	1 200	944
<b>PERSONNEL</b>	123	148	194
- Co-operative banks	97	121	171
- Credit co-operatives	26	27	23

Turnover of co-operatives organized at national level (EUR millions)

TYPE OF CO-OPERATIVE*	1993	1994	1995	1996	1997
Consumer	-	131	204	247	375
Credit	-	-	122	130	192
Plumbers**	49	59	71	79	88
Carpenters	23	28	33	35	36
Pharmacists	-	-	-	466	498
Electricians	17	21	24	-	-

\* Data are not available for agricultural co-operatives

\*\* Includes also the members' turnover

## APPENDIX 2

### Women's art laboratory « free creation »

The Women's Art Laboratory is a workers' co-operative established in 1994 in Athens. It is the outcome of social sensitivity of persons who became familiar with the serious problem of the stigma accompanying those persons who have been imprisoned. In most cases those released from prison meet tremendous difficulties in finding jobs. The problem is more acute in the case of women.

The Women's Art Laboratory has been established with the purpose of contributing, by means of offering work, towards supporting women facing social exclusion. Priority is given to the social integration and professional rehabilitation of women who have been imprisoned or went through juvenile rehabilitation institutions.

For Greece it is a novel initiative. Its novelty consists in the combination of productive and commercial activity with the social non-profit character. For these characteristics it has been awarded by the European Union the Prize of Novel Entrepreneurial Activity.

The co-operative has been founded by 55 members. Today membership reaches 80 and any woman who is interested can become member.

The co-operative possesses limited resources and as a result it occupies only small working and trading space in the centre of Athens, where both the offices, the working place and the selling room are established.

#### *Economic activities*

Principal economic activity of the co-operative is the production of handicrafts in its laboratory, by women released from prison, and their selling in the market or in fairs organized together with other institutions. Together with these works, it also sells handicrafts made by women in prison. For increasing its income and widening its social contribution, it may also sell products of other makers, whether members or not.

The co-operative pays a fair price to the members for their work but the profits that may be realized from selling the products are not distributed to members. They are used for expanding the work of the co-operative, with its social significance.

#### *The social significance of « Free Creation »*

- It supports the professional reintegration of women released from prison, by offering salaried work or remuneration as a percentage of the sale price if there is no possibility to offer salaried work. It also supports these women in finding jobs in other enterprises with a network of contacts with such enterprises.
- It provides professional training in the laboratories or with seminars and other educational programmes.

- It provides psychological and moral support to those women who need it by means of expert services.
- It cares for the upgrading of the educational and cultural standard of these women.
- It prepares the acquisition of the necessary facilities by offering assistance to women released from prison, especially in the first period following their release.

*The social acceptance of « Free Creation »*

The co-operative is enjoying recognition and support in its activities by both state and social institutions that have become aware of its work of professional and social rehabilitation of women released from prison. Equally warm is the acceptance and support of the public. They understand the importance of the problem dealt by the co-operative and they undertake to exercise pressure to the authorities in order to support the activities of the co-operative, as they realize the absence of community care for these women.

Those who had the opportunity to know the activities of the co-operative, take part in its activities, promote its work to their social circle, deposit ideas and proposals, are prepared to devote time for implementing these ideas, buy gifts from the co-operative shop, become members and support the co-operative financially.

## APPENDIX 3

### 3.1 The Child's smile

« The Child's smile » is a non governmental, non-profit institution, established in 1996 under the legal form of a society. The aims of the society are to protect and promote the rights and interests of all children living in the territory of Greece, regardless of origin and nationality, by means of a spectrum of activities supported by the society and based on the voluntary work of young people and especially of children.

#### *Objectives of the society*

1. To secure, protect and promote the rights and interests of children living in the territory of Greece regardless of their citizenship.
2. To offer assistance and moral, economic and psychological support to children in need or requiring special treatment or children of ethnic or religious minorities.
3. To offer any possible help to children facing serious health problems and who need medical treatment in Greece or abroad.
4. To develop the educational, mental and living standard of children.
5. To inform the public about the problems of children.
6. To improve the living standard of children needing social assistance and who suffer any kind of maltreatment or exploitation.
7. To purchase or rent buildings for establishing rehabilitation centres for children facing problems of housing, education, nutrition, health or subsistence in general.
8. To contribute towards the improvement of the institutions for the rehabilitation of children, orphans or deserted children or children placed in reformatories.
9. To deal with the problems, rights and needs of children in co-operation with all kinds of socio-economic bodies, public or private and to grant any kind of support towards solving the problems of children.
10. To co-operate with social, insurance, scientific or intellectual or other institutions with the aim of solving any kind of problems related to children.

#### *Membership*

Members of the society are some 3 000 adults and some 2 000 children.



### *Employees*

The society employs 37 persons on a permanent basis in Athens, Thessaloniki and Pyrgos. Temporary personnel is often used.

### *Administration of the society*

#### a) The general meeting

The general meeting of members is the apex administrative organ of the society. It convenes regularly once a year to examine the activities and the annual statement of accounts. Extraordinary general meetings may be convened by the President or the auditing committee or upon request by one fifth of the members.

Only adult members who have met their financial obligations are entitled to vote.

#### b) The Board of Directors

The Board of Directors consists of 7 members elected by the general meeting of members for a period of two years.

#### c) The auditing committee

The auditing committee, consisting of three members elected by the general meeting for two years, presents its report annually to the general meeting on the legality and appropriate recording of receipts and payments.

### *Financing*

The society is financed through membership fees and members' annual contributions. It accepts donations in money or in kind and makes profits from some of its activities (publications, cultural activities, etc.).

### *Activities of the society*

1. The « House of Children in Danger ». It operates since 1997 with unquestionable success, providing hospitality, following an Advocate's order, to children who are in danger. Eligible children are those below the age of 12 years. The house (a two storey detached building, offered by the Municipality of Athens) can serve up to 15 children.
2. Multiple-use building, (a five-floor building offered by the Municipality of Nikaia) serving the following operations: offices for the social services of the society, offices for psychological support of children and families, rooms for temporary hospitality of children in danger, a « bank » for consumer goods (food, clothes, toys), medical office for preventive

medicine and medical care for children, recreation facilities and room for information technology for children of higher age.

3. Formation of families with foster mothers. The project provides for the placement of children in families residing in houses rented by the society. The first such house is in operation with three children living with the foster mother and her natural child.
4. Shelter for temporary care of children in danger. This facility will be soon available to offer temporary shelter to children in danger until the completion of the procedures to house them in one of the houses offering hospitality. The same building will be used to house a day-care nursery for some 70 children of needy families.
5. Mobile medical-care units. Three mobile intensive care units are in operation in Athens and one in Pyrgos for treating children in need. These units are on call 24 hours a day and are equipped and manned appropriately for the safe transfer of children to hospitals. They operate in close co-operation with the hospital ambulance services.
6. Mobile unit for children in the streets or at the traffic lights (begging in the streets or cleaning wind-screens of cars stopping at the traffic lights). This specially equipped unit is manned with specialists-volunteers of the society to care for these children on a daily basis until a permanent solution is found. The society aims at establishing residential facilities for these children and to train them for their social integration.
7. Children with serious health problems. A bank account of the society is kept for covering the expenses of hospital treatment and operations in Greece or abroad. Blood donation campaigns are organized and also visits to children in hospitals by child-psychologists and children for offering moral support.
8. SOS telephone line. A 24 hours a day telephone line for immediate assistance to children. Experts are ready to deal with any accusation for maltreatment or exploitation of children, in order to take measures in co-operation with the Advocacy for Children or other bodies.
9. Bank of consumer goods. This project operates in Athens, Thessaloniki and Pyrgos. Consumer goods are delivered to families facing serious economic problems. Some 7 000 children are presently supported all over the country.
10. Office for lost children. Office to declare the loss of children and to gather information for lost children.
11. Conferences. Conferences are organized, where specialists of various sectors and institutions take part, in an effort to inform the public and raise its consciousness towards the problems of children. The outcomes are addressed to the competent governmental organs and constitute the basis for undertaking further activities by the society.
12. Arts and athletics. The society organizes artistic and athletic events as a means to support the activities of the society and to serve the needs of children and their families.

### *Teams of children-members*

1. Support team

With the assistance of a child-psychologist and a social worker, psychological and moral support is offered to children treated in hospitals.

2. Team for ecology

Children-members of the society take part in programmes for environmental protection, energy saving, recycling reforestation and forestry protection and protection of the flora and fauna of the country, in co-operation with ecological organizations.

3. Team for informatics

The society is equipped with computers, printers, etc., to be used by children and for seminars in computer-use. The children of this team will be in charge of the advertisements of the society and for page setting of its newspaper to be edited. Internet facilities will be soon available.

4. Athletics team

This team undertakes the organization of athletic meetings where children with disabilities of various forms take part.

5. Artistic team

This team is in charge of the theatre laboratory, where children learn how to make marionettes, dolls, masks, etc. The next step is the presentation by theatre team of theatre plays for a whole season.

6. Communication team

The children of this team take part in programmes of radio and television, discussing matter referring to children and the society. Soon, the newspaper of the society will be edited with material prepared by children of all teams.

7. Excursions team

This team organizes excursions for all children of the society and for children with disabilities.

### **3.2 Greek relief centre for wild animals and birds**

The Greek Relief Centre for Wild Animals and Birds (EKPAZ) is a civil non-profit society aiming at offering relief to wild animals that are found injured, ill, weak or orphan and at returning them to nature.

The Centre aims also at informing the public about the problems facing wild life in Greece in order to enhance its interest and exercise pressure for better legislation and measures to control the damage to nature.

The Centre was established in 1984 and is the first of its kind to be established in Greece. It relies on voluntary work and on the assistance, contributions and donations of members and friends. Voluntary work is offered by groups of scouts, school-children and members of international organizations of voluntary work.

The offices of the Centre are in Piraeus and all its establishments for animals are in the island of Aegina, in the old prison buildings that have been offered for temporary settling. It is now planned to move to other larger and more convenient installations, sufficient to cope with the increasing needs of the Centre. The Piraeus offices function also as an intermediate station for receiving injured animals and birds and for offering first aids before taking them to Aegina.

### *The activities of EKP AZ*

The Centre receives more than 2 000 wild animals every year, most of which belong to protected species. Those that can become able to survive in freedom in their natural environment are set free after they have been cured. About half of the animals treated are set free, i.e. some 1 000 animals a year. Those animals that are unable to survive in freedom are kept in the premises of the Centre, under the best possible conditions. Their presence facilitates the adaptation of newly accepted injured animals. Their reproduction is also facilitated and this has proved successful in the case of injured storks. Relief is offered to all kinds of wild animals, from the common sparrows to some rare species of eagle.

In its work the Centre co-operates with the forestry services, with police stations and hunters' organizations and is taking part in the formation of policy regarding the protection of animal species and biotopes.

Much attention is paid to informing the public about the problems of wild life. Meetings and discussions are organized all over the country, including schools, where real cases of animals are presented, attracting wide interest. The Centre is open to organized visits by schools, in a way not to disturb the animals but to give the opportunity to students to see and appreciate the value of wild nature. Attention is also attracted when animals are set free.

To those interested to co-operate, the Centre offers training, so that stations for offering first aid services can be established even in the remotest areas of the country. A wide network of stations is already in operation for taking care, offering first aid and transferring animals to the Centre.

The number of animals received is continually increasing, so that the costs to the Centre is growing dramatically.

The Centre is a member of the International Wildlife Rehabilitation Council and the European Union of Centres for Animal Relief. It is also a member of the network « Voluntarism and Natural Environment ». It has established co-operation with the Drug Addict Relief Centre and in this framework a permanent team of voluntary work, called SOS Wild Nature has been established. A hostel of wild birds has been established in co-operation with a similar society.

### *Management*

The Centre is managed by a Board of Directors consisting of seven members, elected by the general meeting of members.

### *Financing*

The Center's budget derives principally from subscriptions and donations of members and friends. Donations may be in the form of money or in kind, like animal feed and medicines offered usually by pharmaceutical companies. From time to time, when the needs of the Centre are exceptionally high, financial assistance is offered, upon request, by the Ministry of the Environment, Town Planning and Public Works and by the Ministry of Agriculture.

### *Personnel*

Four persons are regularly employed for caring about the animals, together with a volunteer veterinarian, who visits the Centre when it is required. Many volunteers offer assistance both in receiving the animals and in daily work like cleaning, feeding, space arrangement, etc. In the island of Aegina, the Centre can offer residence to those interested in offering assistance in taking care of the animals.

## **3.3 Mediterranean s.o.s. network**

Mediterranean S.O.S is a network established in Athens, in 1990, as a non-profit society. It is a member of the network « Voluntarism and Natural Environment ». It has a membership of 3 000 persons from all over Greece. Regular members are those who have applied and have been accepted by the General Meeting. These members are entitled to take part and vote in the general meetings. Auxiliary members are those who are entitled to take part in the activities of the network.

### *Aims of the Mediterranean S.O.S. Network*

- To inform the public by means of campaigns on matters of sustainable development at Mediterranean level.
- To promote co-ordinated mobilization and networking for the protection of the Mediterranean environment.
- To co-operate with national, Mediterranean, European and international organizations as well as with European, national and local authorities.
- To promote dialogue and cooperation among the social partners.
- To encourage changes in the behaviour of enterprises, of national, local and regional authorities and in the life pattern of individuals.

### *Activities of the Mediterranean S.O.S. Network*

#### **1. Campaigns**

Every year a campaign is organized around a core issue of Mediterranean importance. Such issues have been:

- An inventory of problems of Greek seas.
- The transportation of dangerous loads in the Mediterranean.
- The protection of eco-systems and of threatened species in the Ionian sea and the development of sustainable fishing.
- The « Saronic gulf can be alive ».
- Caring about beaches.
- The development of a tourism friendly to the eco-systems and the history of the Cycladic islands.
- Inter-Mediterranean campaign for clean beaches.
- Protection of closed gulfs.

## 2. Conferences

Conferences have been organized on a variety of themes, such as:

- Mediterranean ecological problems.
- The green-house phenomenon and its social and environmental impact.
- Chernobill - 10 years after. An account of its impact upon our lives.
- Sustainable management of torrents, etc.

## 3. Environmental education

Members of the Network organize educational activities with invited speakers, slides projection, environmental games, cleaning of beaches etc., in co-operation with schools and other educational institutions and campings all over Greece.

## 4. Publications

The Mediterranean S.O.S. Network publishes a quarterly newsletter sent to 5 000 subscribers. It also publishes reports with the conclusions and recommendations of world and European intergovernmental organizations (such as U.N., E.U., the Council of Europe) as well as of Mediterranean, European and non governmental organizations and networks, pertaining to matters concerning the Mediterranean and environmental problems. Some of these publications referred to the changes of climate, the protection of wild life, sea oil-pollution, management of coastal and sea pollutants, low-pollution technologies, etc.

## 5. Technical and scientific assistance

The Mediterranean S.O.S. Network takes part in the dialogue with tourist enterprises on matters concerning a policy and practice for sustainable tourism and co-operates with fishermen's organizations on matters of sustainable fishing.

Representative of the Network has taken part in a committee of the competent Ministry for preparing a draft law on the management of city garbage.

The Network also provides information and expert advice on matters of environmental problems to non governmental organizations, local authorities and interested individuals, schools and journalists.

## 6. Activities of volunteers

The activities of volunteers are important to the Network. Volunteers may take part in a variety of activities, such as:

- Secretarial support, archives of photographs and library
- Elaboration of positions and proposals of the network, by means of participation in work groups
- Preparation of conferences and similar activities
- Preparation of campaigns
- Preparation of educational material for schools
- Editorial work and translations
- Text writing for the newsletter
- Participation in campaigns

### *Management*

The Network is managed by a Board of Directors consisting of 5 members, elected by the general meeting of members.

### *Financing*

The activities of the Network are financed by the contributions of the members and by the assignees of the projects that it undertakes in co-operation with local authorities and other institutions. Some of the projects undertaken by the network are financed by the European Union.

### *Staff*

The permanent staff of the Mediterranean S.O.S. Network consists of two employees. The Network also employs specialists of a variety of disciplines, such as environmentalists, biologists, lawyers and social scientists. Their number is not stable and varies between 8 and 10, depending on the needs of the projects. Volunteers are also used extensively.