

REGIONAL PROFILE OF CENTRAL MACEDONIA: SWOT ANALYSIS

Axis	Strengths	Weaknesses	Opportunities	Threats
	State of the art		Perspectives	
NATURAL ENVIRONNEMENTAL CAPITAL				
Geographic position	<p>Strategic position in the Southern Europe, as it neighbours with Balkans and Eastern Europe.</p> <p>Consists of seven prefectures. Kilkis, Pella, Imathia, Pieria, Serres Thessaloniki, and Chalkidiki</p>		<p>Prosperous region combining a dynamic and specialised workforce, good opportunities to national and foreign investors, transport and communication networks, and the presence of national and international organisations mainly in Thessaloniki.</p>	
Natural resources	<p>Diversified natural resources (forestry, water springs, rare fauna & flora etc)</p> <p>Descent water resources with many lakes and rivers.</p>	<p>Poor management of natural resources due to lack of cooperation between accountable authorities</p> <p>Lack of use of environmental friendly sources of energy.</p>	<p>Coast line, lakes, rivers, forests, mountainous areas and subterranean water supply can be wisely used according to new national regional strategy</p>	
Environment	<p>Diversified terrain including the main forest conservation areas in Greece (Olympus).</p>	<p>The main industrial fuel is fuel oil. It accounted for 60% (1991) of all industrial energy requirements in the Prefecture of Thessaloniki, as compared to 20% for the European Union</p>	<p>Techniques and know-how towards sustainable development of all tourist resorts (winter and summer) to protect the environment from erosion, pollution, contamination and overuse of natural resources</p>	<p>Insufficient environmental education</p> <p>Massive tourist concentration with unpredicted consequences in the long run</p>

HUMAN CAPITAL				
Demography	<p>The population in 2001 was 1.812.400, which was the 17,2% of the total population in Greece at the same year.</p> <p>Region's population 1991-2001 increased 9,6% and another increase is expected for this decade.</p>	<p>Shrinking national birth rate.</p>	<p>Young people concentrate in the city of Thessaloniki where job opportunities are higher comparing not only to regional figures, but also to national ones</p>	<p>Aging population causes problems in terms of labour turnover and small cities or villages being abandoned due to lack of job opportunities</p>
Employment	<p>Active population of the Region corresponds to 41,6% of its total population. Distribution of employment (2000):19,0% primary sector, 25,5% secondary sector, 55,5% the tertiary sector.</p>	<p>Excluding the prefecture of Thessaloniki, the have their 2/3 of active population in the primary and secondary sector.</p> <p>Few highly qualified jobs, however impressive offer of highly educated personnel.</p>	<p>Training in high level of demanded skills and balanced relation between labour demand and offer. Substantial difference in the last decade from immigrants.</p> <p>150 training programmes of unemployed and employed are programmed in the region.</p>	<p>Rapid decline of the agricultural and industrial employment figures.</p>
SOCIAL CAPITAL				
Unemployment	<p>Region has 18,7 % (2001) of the total unemployed workforce of Greece.</p> <p>Unemployment rate for men is lower than the EU15 average</p>	<p>37,6% is male unemployment whereas 62,4% is female unemployment, which is almost the double</p> <p>9,2 % was unemployment rate in 1992 and 11,5% in 2002.</p>	<p>European funded programmes for unemployed personnel have risen lately and they can still be more.</p>	<p>Raising unemployment rates for youth and women.</p> <p>Raising long lasting unemployment.</p> <p>Increase in the unemployment of people with higher education</p>
Territorial cohesion		<p>Strong economic and social disparities within region</p> <p>Basins of activity with strong industrial tradition</p>		<p>High risk of social disparities between rural and urban zones</p>

		face social and economic difficulties		
Experiences in European territorial cooperation	<p>Strong transborder political cooperation with FYROM, Bulgaria & Albania</p> <p>Many INTERREG IIC projects and descent participation in FP6.</p> <p>Many cooperation agreements with other European regions, especially in the Balkans</p>	SMEs in general draw new knowledge and technological changes not from their R&D departments or technological institutes, rather from their equipment suppliers.	Technological institutes or higher education institutes, either governmental or private or even NGOs, can play a more critical role to knowledge and information transfer not only in services sector, but also in industry.	
ECONOMIC CAPITAL				
Economic development	<p>Good performance in the GDP level compared to EU15 (annual growth between 1997-200 was 3,42%). However, GDP per capita was only 51,7% of the EU15 average (2000)</p> <p>Growth rates 0,4% (2003), 3,0% (2004), 3,8 (2005).</p>	Low productivity, 69% of the EU15 average and low competitiveness (ranking 38 th position among 80 countries in growth)	Forecast for growth rate is expected to reach 4,0% the next years	<p>Geographically unbalanced economic development</p> <p>Low competition and interest from international manufacturing industries</p>
External trade	<p>Centre of dynamic industrial complex, SMEs in the branches of food & beverage, textile & clothing, furniture and larger companies in the industries of metal production, chemicals and plastics.</p> <p>Healthy trade (especially exports) mainly with neighbour countries like FYROM, Bulgaria and Albania</p>	<p>High rates of investment are effected in traditional labour-intensive sectors (especially in the food and textile sectors) indicates a trend towards the transformation to capital-intensive sectors.</p> <p>Low attractiveness for foreign companies</p>	Many opportunities arise lately with the noticeable development in neighbouring countries and the Balkans in general. The role of the region (in the borderline) is critical and all infrastructure should be utilised	Weakness in the sustainability of companies, especially in the food, textile & clothing sector as they turn to be capital-intensive industries
Innovation and research	Strong education and research base with the Aristotle University of Thessaloniki and the University of	<p>The level of R&D in many industrial branches is fairly low.</p> <p>According to</p>	Creation of production services (incubators). Reinforcement of the infrastructure and equipment of	Low technology and R&D investment, mismatch between supply and demand.

	<p>Macedonia, with 4,000 staff members and 70,000 students. There are also two Technical Educational Institutes and the Thessaloniki Technology Park, which support the local industry.</p> <p>Emphasis is given in the development of technological and innovation transfer mechanisms and the information society. The 27% of the total Community Framework 2000-2006 (2,8 billion EUR) was for the investments in the ICT infrastructures.</p>	<p>Regional European Summary Innovation Index - REUSII (2001) the region was 35% of the average innovation performance in Europe (EU15).</p> <p>According to Innovation Scoreboard 2002, the Regional National Summary Innovation Index – RNSII (which is the average of the re-scaled indicator values using only regions within each particular country) region was 83% of the national average innovation performance.</p>	<p>RTD laboratories.</p> <p>Creation of 2-4 new technological institutes.</p> <p>Development of mechanisms for transfer and diffusion of innovation (innovation observatory)</p>	<p>Limited high-qualified jobs</p> <p>Difficulties in attracting innovative, new, and added value creating activities</p> <p>Information flow and dissemination of research results both from Greece and abroad are insufficient</p>
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