



**LESVOS LOCAL DEVELOPMENT COMPANY S.A. - ETAL S.A.
FISHERIES LOCAL ACTION GROUP**

**EPM “Bridging the assurance gap”
Audit of the operational Programme for Fisheries 2007-2013
14-17.09.2016**

**The Lesbos FLAG, AXIS 4.
LESVOS-LEMNOS-AG. EFSTRATIOS “INTEGRATED DEVELOPMENT IN FISHERIES AREAS”**

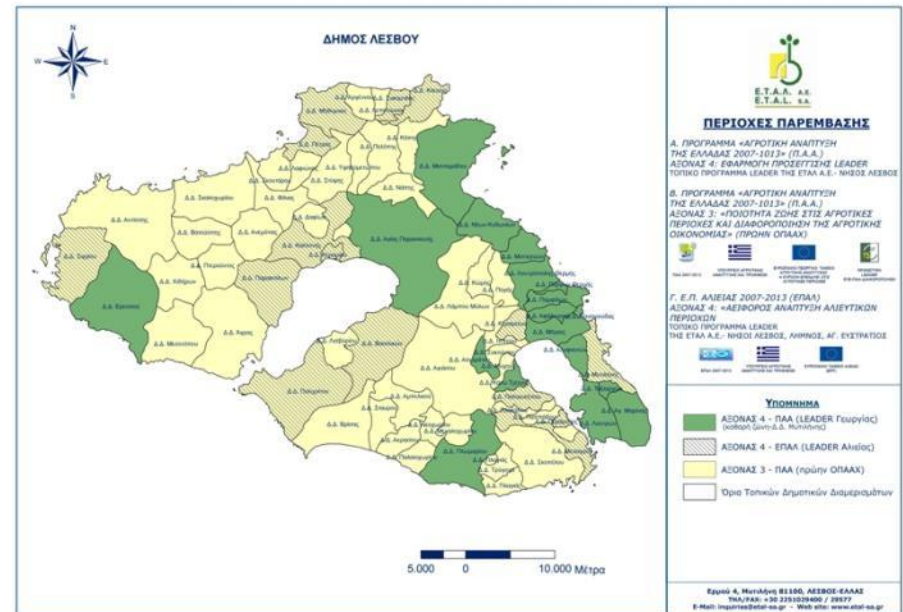
LESVOS LOCAL DEVELOPMENT COMPANY S.A. - [ETAL S.A.]

Island of Lesbos – GREECE

Anastasios M. Perimenis – Gen. Manager

LESVOS island – THE TERRITORIAL APPROACH

- ▶ Lesvos is the 3rd largest Greek Island, situated in the North East part of the Aegean Sea, Mytilini is the Capital.
- ▶ One Island, One Municipality
- ▶ It belongs to the Lesvos-Limnos-Ag. Eftratioi Prefecture, part of the “NORTH AEGEAN REGION”, 86.436 inhabitants in 1.632,82 km²
- ▶ A rural Economy, 60-65% of GNP - average of the 179 regions of Europe in terms of GNP per capita...(E.U. regional objective 1 area).
- ▶ Characteristics...Insular, remote, rural, unemployment (app. 23%), outmigration, transportation difficulties, not well advanced infrastructure...



LESVOS island - THE TERRITORIAL APPROACH

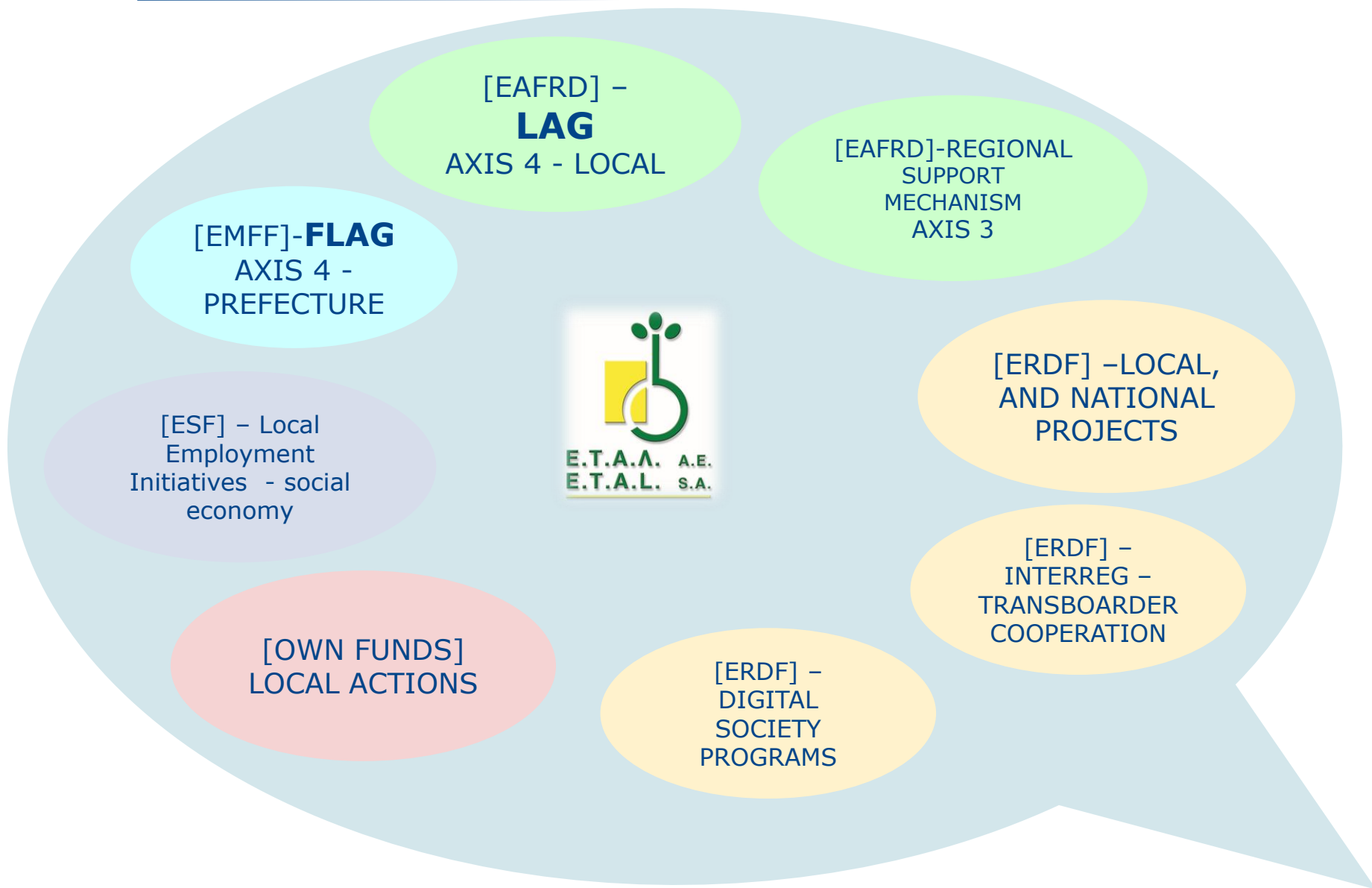


- ▶ An island of un-spoilt rural-agricultural – coastal-marine environment...
- ▶ An Island of Culture, poets, musicians, artists...
- ▶ An island with the largest olive grove in Greece and excellent quality of olive oil...
- ▶ The origin of world famous OUZOU, and Kalloni sardines...
- ▶ Quite pace in the rhythms of everyday life, emphasis in family, neighbor and community ties...



What we are implementing....

Act Locally, managing EU and National Policies under one LOCAL DEVELOPMENT STRATEGY



PLANNING THE L.D.S. – THE APPROACH

Using the Local resources, natural and cultural in order to make examples-pilot actions of how the island can be a prime destination and how there can be quality of life in its local communities.

- ✓ Listening to local needs, be close to local people
- ✓ Simple management systems, System Clarity, Accountability
- ✓ The LEADER approach features
- ✓ Focus on Local Development Strategy
- ✓ Potential recognition, diversification
- ✓ Involvement of Communities and Stakeholders in governance
- ✓ Consultation, animation, empowerment
- ✓ Networking - cooperation

WHO IS INVOLVED IN THE OVERALL PROCESS...

Axis 4 is implemented for the first time in EU, thus in Greece and it is part of the National Operational Programme for Fisheries 2007-2013.

- ✓ NATIONAL AUTHORITIES, i.e. “EDEL” (Financial Audit Committee - National Audits Body)
- ✓ OPEKEPE – the Authorized Paying Agency (Internal Audits & on the Spot)
- ✓ Ministry of Rural Development and Food, Managing Authority of the O.P. (various audits and reports)
- ✓ FLAG – ETAL S.A. – the implementation (Intermediary) body of axis 4 in Lesvos
- ✓ Local Stakeholders, The Fisheries Communities, sectors and activities
- ✓ Beneficiaries (private and public sector)

LEGAL FRAMEWORK: There are several Laws and Degrees we have to abide with during several stages of the programme. The most important ones for the FLAG System are:

- ✓ REG. EU 1198/2006 & REG. EU 498/2007, EFF (EMFF)
- ✓ E (2007)-640211.12.2007 OP “FISHERIES” of GREECE 2007-2013
- ✓ JOINT MINISTERIAL DEGREE 1911/29.10.2010 – AXIS 4 –EFF Framework
- ✓ MINISTERIAL DEGREE 195/28.02.2011 – Axis 4 – Management & Audit system
- ✓ MINISTERIAL DEGREE 551/23.05.2011 – Axis 4 – details
- ✓ MINISTERIAL DEGREE 1477/10.08.2010 – Approval of the Proposal of ETAL S.A. FLAG
- ✓ The 101/08.02.2011 approved Local Programme of ETAL S.A. FLAG
- ✓ Payment Body - OPEKEPE, MANUAL 78382/11.07.2011 for payments

According to all their possible amendments

The FLAG (ETAL S.A. in one of its Functions)

ETAL S.A is a public limited company under the Greek Tax Law 1992/1920 (with all amendments), with Partners that coincide with the 1198/2006 regulation and the Greek Call for Proposals of October 2008.

ETAL S.A. Partnership (Share Holders):

The Union of Municipalities of Lesvos, 40,47%

The Union of Agricultural Associations of Lesvos, 33,30%

The Chamber of Commerce of Lesvos, 26,23

The FLAG Partnership (DESION MAKING BODY):

It has all exclusive legal rights under the statute of ETAL S.A (ar,25.1δ) for all issues concerning axis 4 EFF.

- 1. Representative of ETAL S.A. (private sector) 20%**
- 2. Representative of Chamber of Commerce (private sector)**
- 3. Representative of the Association of Professional Fishermen of Lesvos. (private sector) 20%**
- 4. Representative of ANEL S.A. (Public Sector) 20%**
- 5. Representative of Regional Union of Municipalities (public Sector) 20%**

The FLAG - An independent **DESI**SION MAKING BODY

The FLAG Partnership (DESISION MAKING BODY):

It has all exclusive legal rights under the statute of ETAL S.A (art,25.1δ) for all issues concerning axis 4 EFF.

(FARNET Case Study on ETAL S.A. – 2012-2013, “Governance case-study-ETAL-Theme 2”)

Public and private actors must both be represented in the Greek FLAG partnerships. The composition of the decision-making body is as follows:

- a) local economic and social partners and other civil society representatives in the area (such as associations of farmers, fishers, women or young people) must make up at least 50% of its members (and at least 20% of these partners and representatives must come from the collective bodies of professional fishermen) and
- b) the organizations that serve the interests of the public sector in the area, regardless of their legal form, must account for at least 30% of its members.

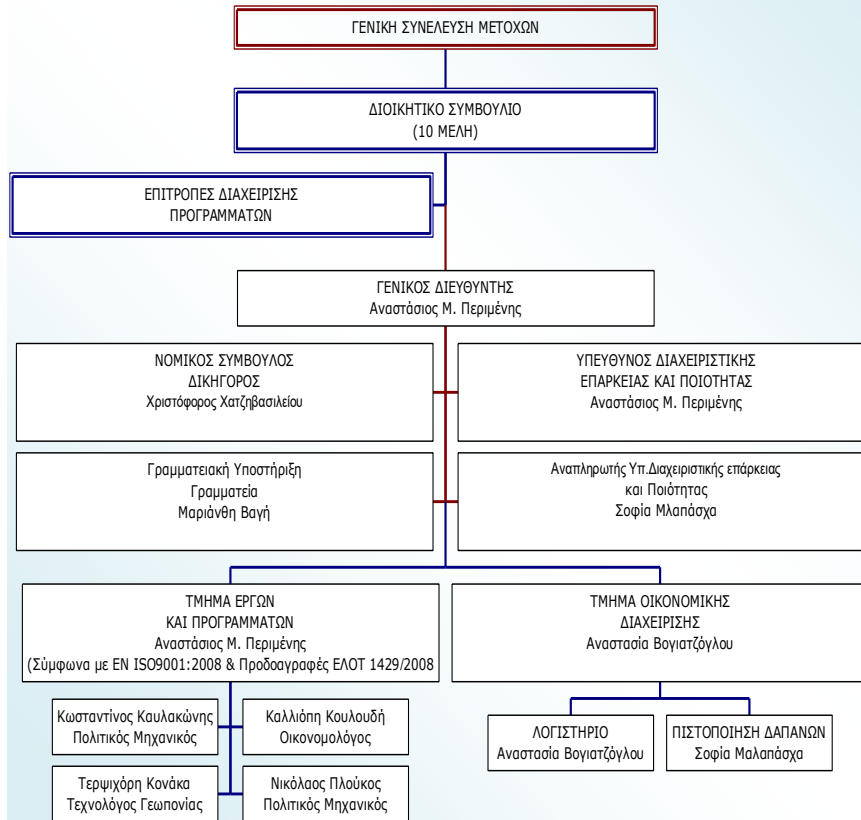
Lesvos FLAG comfortably meets these criteria and is *unusual in the low level of municipality representation*.

The FLAG

Has been granted Management Capacity Certificate Grade B, From the Regional Authority of the North Aegean, And is ISO EN 9000:2008 certified by

The Organization Chart, a LAG, FLAG, I.B., The Team

ΕΤΑΙΡΕΙΑ ΤΟΠΙΚΗΣ ΑΝΑΠΤΥΞΗΣ ΛΕΣΒΟΥ - ΕΤΑΛ Α.Ε. ΔΙΟΙΚΗΤΙΚΟ ΟΡΓΑΝΟΓΡΑΜΜΑ - ΔΙΟΙΚΗΤΙΚΗ ΔΟΜΗ



FLAG. Responsibilities-Role (Intermediary Body):

- ✓ Call for proposals for the selection of projects – animation – publicity, (upon approval)
- ✓ Appraisal-evaluation of Projects (based on pre-defined and approved criteria)
- ✓ (1. Selection proposal Committee and 2. Appeal Committee)
- ✓ Selection of Projects (4. FLAG Decision Making Committee)
- ✓ Grant Approval (of Projects) (4. FLAG Decision Making Committee)
- ✓ Monitoring of the implementation of Projects (desk reviews and on the spot inspection based on the total expenditure and not sample – 3. Verification Committee)
- ✓ Payment of Projects (FLAG DMC) – Gen. Manager – (claim to Auth. paying Agency)
- ✓ Reports to MA – FLAG TEAM, semi-annually – annually - whenever requested
- ✓ Closure of Programme – Projects ex-post Follow up

Managing Authority. Responsibilities-Role:

- ✓ Review and approval of the Call of the FLAG
- ✓ Notification of Appraisal procedure of the FLAG
- ✓ Sample check of the beneficiaries payments (100% check of the FLAG Operational expenses & Cooperation projects)
- ✓ Approval of Payment (FLAG Claim)
- ✓ Audits

Paying Body, “OPEKEPE”. Responsibilities-Role:

- ✓ 100% check of the MA Claim
- ✓ Payment of the FLAG Claim (following MA approval)
- ✓ Audits (on the spot and desk review)

National Auditing Authority, “EDEL”. Responsibilities-Role:

- ✓ Audits (on the spot and system audit)
- ✓ Application of sanctions

1. COVERING ANY ISSUE CONCERNING possibilities of CONFLICT OF INTEREST

We implement a program with EU and National Funds as an Intermediary Body in a small area and community, so it is vital to have all of the concerned information publicly available and make sure that there is no conflict of interest.

2. TRANPARENCY...

Internal processes, legally binding statements, public announcements of the decision making process and who is involved, making information accessible and available to all.

3. SIMPLE BUT ACCURATE SELECTION CITERIA

Having a selection system that works fast, but also reflects the Local Development Strategy. Must be openly available before hand so that it helps beneficiaries realize the **motivation**, the **opportunities**, the **risk**, and also the **obligation** they have to consider.

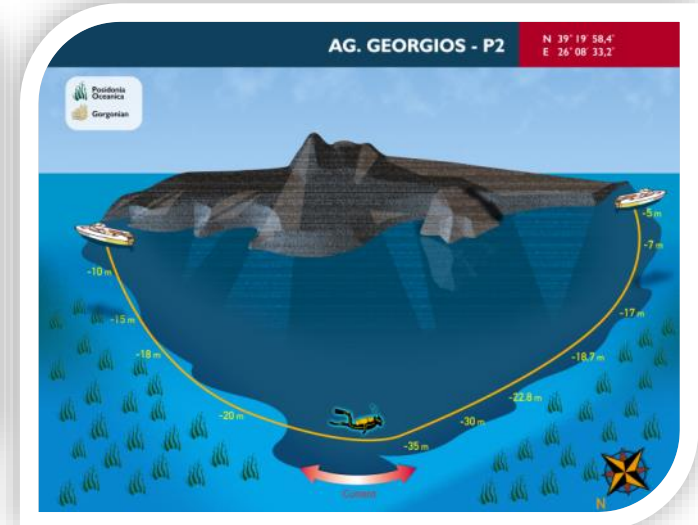
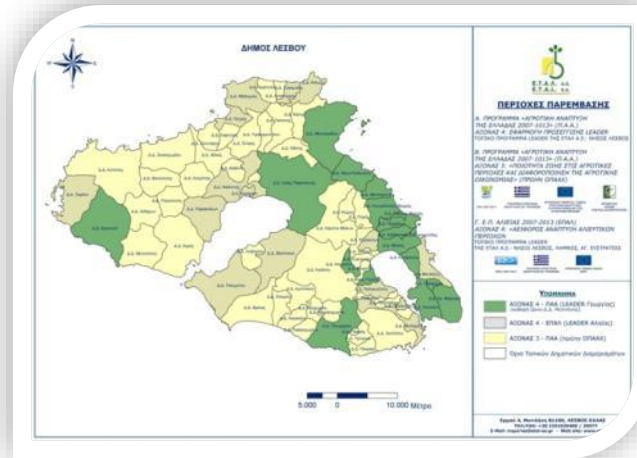
4. AVAILABILITY OF INFORMATION OF THE OVERALL PROCESS – USE OF MEDIA AND INTERNET

We consider it is very important in a quite bureaucratic system for the public to be able to navigate through the process and in this case all of the relevant information is always available in our webpage and in every step and every decision we make public announcements.



CONNECTING THE DOTS...

- ▶ Using a main Idea for the area and get together various stakeholders and sectors around it.
- ▶ **LOCAL NEEDS,**
- ▶ **THE MARINE ENVIROMENT,**
- ▶ **LOCAL CAPACITY,**
- ▶ **SUSTAINABILITY**
- ▶ **VISION,**
- ▶ **TIME-TIMING-TEMPO**



1. Alternative Sailing, www.alternativesailing.gr mis:185468

MAKE YOUR DREAMS COME TRUE!

Sail the Aegean with **ALTERNATIVE SAILING** because we hold one of the keys to the Aegean Nature.

Scuba diving, hiking, biking, 4X4, windsurfing, bird-watching, horse riding, natural thermal spas, photography, painting, history, archaeology, folklore, architecture and above all, the traditional flavors of the Greek dishes cooked either on board or in selected local taverns.



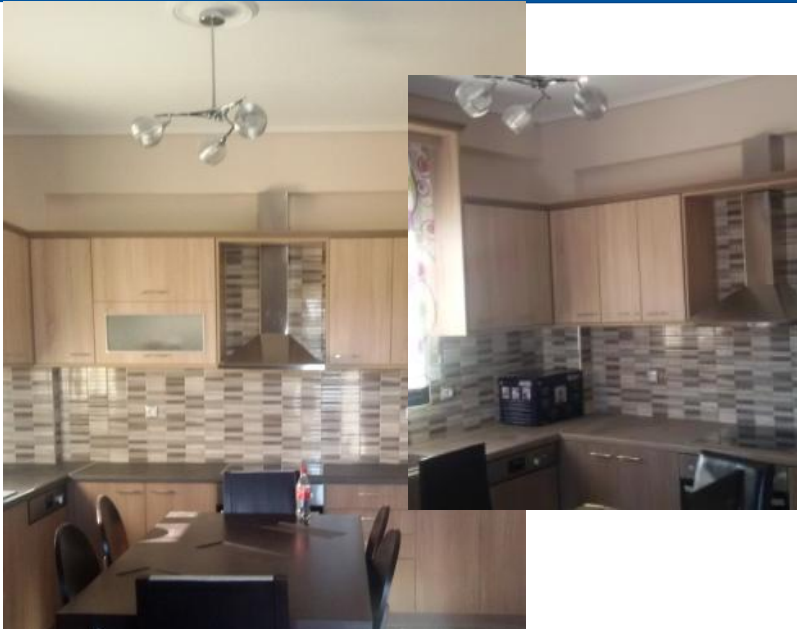
«Sailing in 3 dimensions...Action in Lesvos, it never stops...»



2. ACCOMODATION UNIT, IN A SMALL FISHERIES COMMUNITY BY A FISHERMEN FAMILY. (MIS 184598)

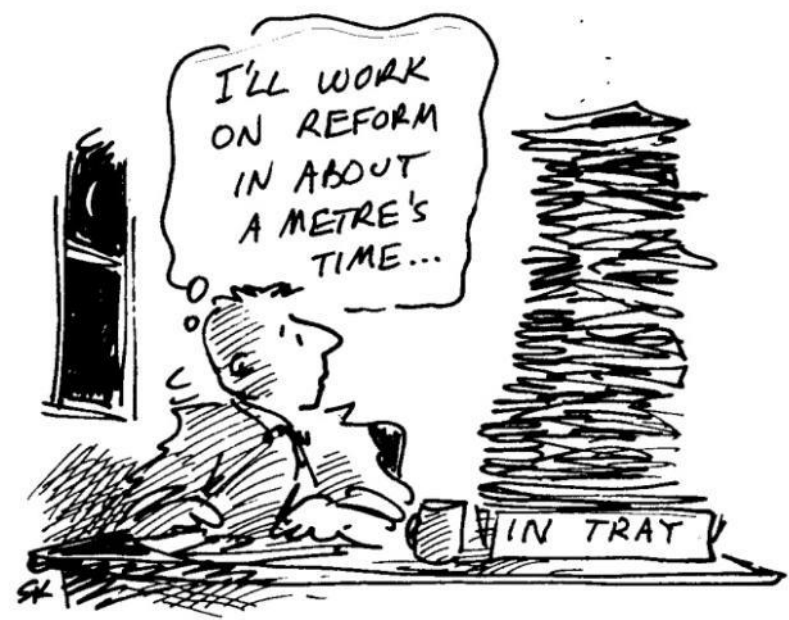


3. ACCOMODATION UNIT, IN A SMALL FISHERIES COMMUNITY BY A FISHERMEN FAMILY. (MIS CODE 184598)



common problems...finding solutions...

“...in many ways FLAGs work-load has to do with a lot of processes, procedures, critical decisions that bear impact on our communities. There is also need for well informed view-points in a rapidly developing environment, we need to apply a wide range of public procedures, provide equal access, adequate public notice, transparent systems, notification of conflicts of interest, flexible management arrangements, clear division of roles between strategic and operational levels, financial management, human resource skills, crisis management”



- Intense and voluminous bureaucracy.
- Variance in procedures – a crazy melting pot of rules!
- Legal Framework - interpretations
- Financial Problems – sources of Funds –Banking system

The days of the AUDIT...

Μοναχί Vagi	ETAL SA	+30 2251029400 secretary@etal-sa.gr	UB
Αλεξανδρα Λατφ	ETAL SA	+30 2251029477 smalagasna@etal-sa.gr	UB
Βουσαντζακης Κωνσταντinos	ETAL SA	+30 2251029400 kofev-k@etal-sa.gr	UB

PRESENCE LIST

Name	Authority	Tel/E-mail	Signature
A. HADJINIKOV	European Commission	+32 2 295 4525 alexandar.hadjinikov@ec.europa.eu	
C. WELTER	European Commission	+32 2 299 9278 claudine.welter@ec.europa.eu	
Ελσι Φονα	EDEL	+30 210 3355989 el.si.fona@edel.gr	
George Kats	N.A. - Unit B	+70 2131501159 gkats@mov.gr	
ΑΝΑΣΤΑΣΟΣ ΠΕΡΙΜΕΝΙΣ	ETAL S.A FLAG	+30 22510 23400 an.perimenis@etal-sa.gr	
ΑΝΑΣΤΑΣΙΑ ΒΟΥΣΑΝΤΖΑΚΗ	ETAL AE	abogiatzoglou@etal-sa.gr	
Milos Pliakas	GTAL S.A.	+30 2251029400 mpliakas@etal-sa.gr	
Καλλιόπη Κουλουδου	ETAL SA	+30 2251029544 kouloudi@etal-sa.gr	
Terpsi Konara	ETAL SA	+30 2251029400 tkonara@etal-sa.gr	



Commission européenne, B-1049 Bruxelles / Europese Commissie, B-1049 Brussel - Belgium. Telephone: (32-2) 299 11 11.
Office: 389-0565. Telephone: direct line (32-2) 2954525. Fax: (32-2) 2960952.
E-mail: alexandar.hadjinikov@ec.europa.eu



EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR MARITIME AFFAIRS AND FISHERIES
GENERAL AFFAIRS AND RESOURCES
BUDGET, AUDIT AND PUBLIC PROCUREMENT

Brussels,
MARE/E/ICEP/F1.78e/AH ARES(2017)



FINAL AUDIT REPORT
MISSION: 2016/GR/MARE/F1

Finally, it all starts from the place “**topos**”, and work with “**Orama**”, It is the Social Capital after all, considering the Fisheries Areas as a “**topos**” for the first time...



It is imperative for all to work for “**locality**”, needs of people, and care for the changing conditions
WE NEED TO WORK WITH VISION AND PASSION, act locally but think globally...



Thank you,
Anastasios M. Perimenis