

Spring 2020

GREECE

IN THE SPOTLIGHT

New
Opportunities
for International
Investors



Greece is back on investors' radars, and with good reason. After shedding nearly one-third of its GDP since 2008, the economy is expanding once more, entering its third year of increasing growth and demonstrating the strongest growth during the last 10 years. A clear proof that the Greek economy has been well past its turning point. Following the successful completion of the stability support program since August 2018, Greece's investment and growth revival has been the result of the government's implementation of pro business and investments policy agenda, which aims to establish a new investment-friendly environment and promote an export-oriented production model. This message has been well-received by international investors, leading to nearly fourfold FDI increase between 2015-2019. At the same time, very encouraging signs are evident in the real economy, such as a rebounding real estate market, an ongoing recovery of the labour market and accelerating household disposable income growth, a pick-up in non-financial corporate investment, an increase in saving and in bank and capital market financing of non-financial corporations, as well as an upward trend in tourism receipts in recent years. These developments suggest that the Greek economy demonstrates a significant resilience despite the emerging global economic slowdown.

Tourism

Provisional data for 2019 (January-November) suggest that Greece will be having its seventh consecutive year of increasing tourist arrivals (+4%) and receipts (+13%). **Greece in 2018**, for a 6th consecutive year, achieved a new record in **tourist arrivals**, with 33.1 million Arrivals (10.3% y-o-y increase), **Tourist receipts** at €16 billion, essentially becoming **Export champion sector** for the Greek economy, with a contribution of **30,9% in GDP and 25,9% in employment (2018)**

Investment Opportunities

- » Integrated resorts
- » Medical tourism – Thalassotherapy
- » Marinas
- » Public and private real estate projects
- » Vacation homes
- » Thematic parks/ sports tourism



Economic outlook, snapshot



Food & Agriculture

The home of the **Mediterranean diet** is becoming a favorite to foodies from around the world, who enjoy the **highest quality ingredients** on offer

The most **dynamic industrial sector**, with **Annual Turnover of 26% and Employment 35.1% of Manufacturing Activity, accounting for 16.3% of total exports (2018)**

Investment Opportunities

- » Development of new livestock farms and new crop cultivations
- » Consolidation of smaller, organic producers with strong export potential
- » Packaging, export and marketing of traditional staples of Greek diet
- » Joint venture activities with domestic agricultural producers through contract farming



ICT

From **start-ups** to **research centres** of global ICT giants, the ICT scene benefits from **highly-skilled personnel** and competitive costs

Between 2010-2019 more than **1000 start-ups** have been created, absorbing more than **€2 bn.** of funding and acquisition capital

Investment Opportunities

- » Data Centres
- » Mobile Marketing Advertising
- » B2B Cloud services
- » Software development
- » ICT innovation and research activities



Investor confidence returns

Greek 10-year bond yield reaches all-time low: Borrowing cost drops to **<1% (0.961%)** for the first time (early Feb.)

Price rally in Greek stocks: Athens Stock Exchange **best performing** European market: Returns of **50%** in 2019.

Rising Foreign Direct Investment (FDI inflows in billion Euro)



Logistics

The Logistics sector in Greece accounts for almost 10.8 % of Greece's GDP, supporting economic activity and facilitating the country's extrovert profile, by promoting its exports. This rapidly developing sector is also facilitating its emergence as a **major logistics hub** in the **EMEA region**, located on one of the busiest trade routes in the world, developing swiftly the **capacity** to capture increased **trade flows** to Europe

At the same time Piraeus port has become a **key node** in the **"New Maritime Silk Road"**, with a vast **investment plan** under deployment currently by **COSCO**

Investment Opportunities

- » 3rd & 4th Party Logistics facilities
- » Intermodal Cargo centres
- » Port privatisations and investments

Energy

Strong capacity to produce Electricity with abundant **RES**, availability of previously unexplored **onshore and offshore hydrocarbon reserves** and a strategic location right in the centre of evolving **new networks** for the transportation of energy from Asia and the Middle East to Europe, Greece is now emerging as a key **energy hub** in the EMEA region

Total investment in the Energy Sector is expected to reach **€45 bn**, by 2030

Investment Opportunities

- » Electricity production, and privatisation of state owned Energy assets
- » Energy efficiency/storage
- » WTE
- » Renewable Energy Project development (Wind, Solar-thermal, Biomass, Small Hydro, Geothermal, Hybrid, etc.)
- » Grid interconnectivity projects (Cyclades, Crete, EuroAsia Interconnector)
- » Natural gas transmission, distribution and production



Pharma & Health

Extensive R&D know-how, over **2,4 bn.** invested between 2010-2019, along with pharmaceuticals manufacturing have been well-established in Greece and exhibit world-class recognition and collaborations

A regional hub for **clinical trials**, as the majority of international pharmaceutical companies conduct clinical trials in Greece, with more than 2000 protocols run annually

Investment Opportunities

- » R&D centers- manufacturing of generics
- » Elderly and Long Term Care services and infrastructure
- » Integrated medical tourism facilities
- » Clinical trials

Cultural & Creative Industries (CCI) / Filming

CCI have shown great resilience during the crisis, as they actually continued to grow while stimulating creativity and innovation spill-overs in other sectors

The recent implementation of the cash rebate system for the production of audiovisual works in Greece is a decisive step towards attracting film, television, documentary, animation producers and digital games developing companies to invest in the Greek creative sector

Investment Opportunities

- » Digital Design and Animation
- » Film Industry productions
- » Video and Computer Game



Privatisation programme

Major investments have taken place over the last few years following the successful implementation of the Greek Privatisation Programme

Completed multibillion project tenders include major Ports, regional airports, railways, telecoms, iconic hotels and real estate assets (www.hrdf.com/en)

Investment Opportunities

- » **Former public utilities** (Athens Water Co, Thessaloniki Water Co)
- » **Transport** (10 commercial Ports, Marinas)
- » **Energy** (HEDNO, PPC, DEPA, Hellenic Petroleum, Kavala Gas storage)
- » **Tourism & Real Estate** (Hellinikon Project and many other prime locations available for further development)



Global Business Services

Greece attracts a worldwide interest for the establishment of intra-group service centers offering immense opportunities for centralized middle and back office functions. What is more, Greece admittedly offers today a pro-business environment, a modern legal framework for global business services, highly-qualified and multilingual talent, competitive labor cost and office space rentals and incentives to support job creation and professional training. The BPOs ecosystem is currently evolving with new market entries of leading business process outsourcing providers setting up large scale operations in metropolitan areas of Greece, creating nearly 5.000 new jobs and investing in local top quality talent.

Meanwhile leading multinational groups in key global industries choose Greece to centralize back office activities in fields of accounting & finance, R&D, technology and human resources, creating approx.500 new jobs for highly qualified scientific and technical personnel investing in local skills and scientific knowledge.

Investment Opportunities

- » Human Resources activities
- » Accounting & Finance activities
- » Research, development, new technologies & informatics
- » Product design and product engineering
- » Customer experience

Enterprise Greece:

- » Attracts, welcomes, promotes, supports and retains investment in Greece
- » Promotes Greece internationally as an attractive investment destination through marketing, events, and strategic outreach
- » Accepts applications, evaluates and supports Greece's Strategic Investment (Fast Track) projects
- » Provides investors with the Investor Ombudsman service

Project Financing & Subsidies options

- » **EU** Structural funds available for the current period 2014-2020 (€36bn earmarked for the next period 2021-2027) for projects to be realised in Greece
- » **New investment Law** to support new investment plans, with investment incentives
- » **Cooperation** with international financial institutions to ease investment project financing (EIB, EIF, EBRD, IFC, Black Sea Trade & Development Bank etc), with more than €13bn of financing approved, since 2012
- » **Job creation grants** (subject to availability) by **OAED**, covering wage cost or insurance contributions

ENTERPRISE GREECE
INVEST & TRADE

Enterprise Greece is the national agency of the Greek State, under the supervision of the **Ministry for Foreign Affairs**, to showcase Greece as an outstanding destination for **investment** and to promote the highly competitive products and services produced in Greece for **export**.

Enterprise Greece
Your partner for growth

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