Brief guide of the procedure of acceleration and transparency of implementation of strategic investments
# TABLE OF CONTENTS

**BRIEF GUIDE OF THE PROCEDURE OF ACCELERATION AND TRANSPARENCY OF IMPLEMENTATION OF PRIVATE STRATEGIC INVESTMENTS**

1. Introduction 4
2. Requirements for the characterization of an investment as Strategic 5
3. Qualitative features of a private strategic investment 6
4. Entry approval - Administration of the procedure 6
5. Providence concerning an investment for which the licensing process has already begun 6
6. Information, Submission and Evaluation procedures for the inclusion of private investments in Fast Track 7
   6a. Information Procedure 7
   6b. Submission Procedure 7
   6c. Obligations of Investors included in the Strategic Investments Procedure - Investment licensing procedure 12
1. Introduction

With the Law “Acceleration and Transparency of Implementation of Strategic Investments” (Fast Track), the Greek government provides the international and Greek investment community with stable and transparent investment regulations, procedures and administrative structures for the implementation of large-scale public and private projects. Through the Law, critical factors that have inhibited major investment in Greece are abolished. Bureaucracy, the complexity of legislation, and lack of transparency, all of which have deterred investors and significantly delay the implementation of large-scale projects, are minimized.

The objective of Law 3894/10, as well as the amendments to its provisions which were incorporated in Law 4072/2012 and Law 4146/2013, is the development of investment plans that create long-term and wide-ranging positive results that have significant impact on the national economy and promote the country’s exit from the financial crisis. The result of the implementation of this Law will be the creation of a modern infrastructure, networks and, eventually, services for citizens, as well as the improvement of the competitiveness of the economy, the creation of employment, the production of innovative, high-technology added value products and the establishment of businesses that are friendly to the environment and socially responsible.

The acceleration of Strategic Investments stems from the shortening of the deadlines of the licensing procedure through the establishment of shorter and specific deadlines for the response of public licensing authorities.

A private investment is granted entry into “Fast Track” only if a) it is so desired by the private entity responsible for its implementation, which is also competent for the submission of the relevant entry application, b) meets the requirements of the law and c) it is approved by the Interministerial Committee of Strategic Investments (henceforth (I.C.S.I.).

Undoubtedly, the “Fast Track” process introduces a new set of rules, procedures and obligations for the public sector, respecting fully the provisions of Greek and European Legislation.

In addition, the Parliament, at its discretion, may set special tax provisions for a Strategic Investment when deemed necessary for the national interest.
2. Requirements for the characterization of an investment as strategic

Strategic Investments shall be construed as those productive investments which generate quantitative and qualitative results of major significance for the overall national economy, and which facilitate the country’s exit from the economic crisis. Strategic Investments relate specifically to the construction, reconstruction, expansion, restructuring, modernization or maintenance of existing infrastructure, facilities and networks: a. in manufacturing, b. in the energy sector, c. in tourism, d. in transport and communications, e. in the provision of health services, f. in waste management, g. in projects of high-end technology and innovation, h. in the education sector, i. in the culture sector, j. in the primary sector and the processing of agri-foods, and k. in the provision of services of the tertiary sector in general, provided that they meet at least one of the following conditions:

A. the total investment cost exceeds € 100,000,000, irrespective of the investment sector or

B. the total investment cost exceeds € 15,000,000, in case of investment in manufacturing within industrial areas, or € 3,000,000, in case of investments which constitute approved projects within the framework of the JESSICA portfolio fund or

C. the total investment cost exceeds € 40,000,000, while concurrently the investment in question creates at least 120 new jobs or

D. the investment creates, in a viable and sustainable manner, at least 150 new jobs or at least 600 jobs are maintained in a viable and sustainable manner or

E. the total investment cost exceeds € 5,000,000 for investments concerning the development of Business Parks as set out in Part B of Law 3982/2011 (A 143).
3. Qualitative features of a private strategic investment

For the inclusion of the investment proposals to the Strategic Investments Procedures, the following shall be taken into consideration, in particular: (a) the viability of the proposed or existing investment and the creditworthiness of the investor, and (b) the transfer of know-how and expertise; the estimated growth or maintenance of employment; the country’s regional or local development; the strengthening of the entrepreneurship and competitiveness of the national economy, and especially of industry; the adoption of innovation and high-end technology; the increase of export activity; environmental protection and energy conservation.

4. Entry approval - administration of the procedure

The Interministerial Committee for Strategic Investments (I.C.S.I.) bears the responsibility for approving the inclusion of projects in the procedure. The Interministerial Committee for Strategic Investments is comprised of: as Chairperson, the Minister of Development, Competitiveness, Infrastructure, Transports and Networks, or the legal substitute thereof, and, as Members, the Ministers of Finance, of Foreign Affairs, for the Environment, Energy and Climate Change, for Education and Religious Affairs, for Culture and Sports, as well as the competent Ministers, as the case may be, who introduce the matters falling within their jurisdiction, or their legal substitutes.

5. Providence concerning an investment for which the licensing process has already begun

Investments for which the licensing process has already begun, while applying for entry in the Strategic Investments framework, still remain eligible for inclusion in the Strategic Investments process.
6. Information, submission and evaluation procedures for the inclusion of private investments in Fast Track

6a. Information Procedure

The investor who is interested in being informed about the new procedure, the provisions and the criteria of the law, may contact Enterprise Greece by telephone or by filling in the relative electronic inquiry form on the website www.enterprisegreece.gov.gr.

If the investor feels that the proposed investment is mature and qualifies for submission into the Fast Track procedure, a meeting is arranged for information purposes and for the presentation of the investment plan, at the offices of Enterprise Greece.

Enterprise Greece conducts a prima facie assessment based on the criteria of the Law and informs the investor.

6b. Submission Procedure

The standard procedure for submitting an investment proposal to Law 3894/2010, as applicable, is carried out in two stages:

1st Stage: The private investor shall initially send through the specially designed webpage of Enterprise Greece, an electronic request to arrange a meeting. The investor's request shall, as a prerequisite, be accompanied by the following files:

a) Executive summary of the investment or the business plan of the investment;

b) An analysis of direct and indirect impacts of the investment on the Greek economy (investment impact assessment).

The meeting for the final submission shall be arranged in strict order of priority.

2nd Stage: On the day of the meeting for the final submission, the investor shall submit three copies of the following documents, both in hard copy and electronic format:

a) Inclusion application

b) Investment plan including, inter alia, the following:

   i. Executive summary.

   ii. Documentation that the investment meets the criteria of Article 1 of Greek Law 3894/2010.

   iii. Assistance requested by the Greek Public Sector, according to Greek Law 3894/2010.
iv. Information about the investment entity, in particular:

1. Company name and a brief background on the prospective investor.

2. Shareholder information, documentation of the credibility of the investment entity, its shareholders and partners, as well as previous general and specialized professional experience of the prospective investor.

3. Subsidiary and affiliated companies, companies with similar or complementary activities, in which the main shareholders of the investment entity, either legal or physical entities, participate.

4. Brief financial statements of the previous three years of the prospective investor.

v. Comprehensive business plan proposed for inclusion. The business plan shall include, inter alia, information and data along the following axes:

1. Business vision regarding the new investment and mission statement of the investment entity.

2. Maturity of the investment plan.

3. The financing scheme of the investment.

4. Project administration and management team.

5. Feasibility and objectives of the investment.

6. Required licensing for implementing the investment.


8. Location of the investment, justification of location, urban, spatial and further characteristics of the real estate property in question (indicatively, forest and/or archaeological areas, seashore, if the investor has knowledge of these) and compliance with the existing spatial plan.

9. Description of building installations, budget for additional projects and for the total investment, building usage, energy characteristics, surrounding area projects, accompanying and auxiliary projects, utility connection projects, waste repositories, mechanical and other equipment.

10. Time frame for implementing the additional projects and the total investment, as well as estimated time frame of commencement of operation of the investment (not necessary in the case of existing investments).

11. Description of products and/or services to be produced or provided, and their export capacity.

12. Energy sources used and energy consumption at the prospective plant/facility.
13. Employment: Existing and new full-time, part-time and seasonal employment positions as well as conversion to full-time equivalents (Annual Employment Units).

14. Organizational structure of the new business (company organization chart, geographical distribution, and so forth).

15. Security and quality assurance systems of the new company.


17. Breakdown of the budget of the total and individual investments.

18. Special report on the existing jobs maintained (in the case of existing investments).

vi. Sustainability assessment of investment plan:

1. Prospective investors shall submit their financial projections regarding the period of infrastructure and building construction, and the period of operation and exploitation separately and in the form of a detailed model (‘Financial Model’).

2. The Financial Model must be able to take into account and perform calculations about changes in the main assumptions of the prospective investor, and in the assumptions that affect any kind of revenue and expenditure of the Company.

3. The Financial Model shall be accompanied by a complete description, analysis and documentation of the assumptions on which the financial projections have been based.

4. The Financial Model shall include analysis and documentation of individual and total cash flows of the project; by analysing the main assumptions of the prospective investor in relation to the proposed investment, according to and in line with the proposed business plan of the investment, which should clearly mention any ramifications resulting from specific tax arrangements requested by the prospective investor, for a period of 30 years that shall commence and include the period of infrastructure and building construction.

5. The Financial Model shall provide assessments of the main financial ratios of the proposed investment, such as: internal rate of return of the investment, net present value, debt service cover ratios, return on assets, return on invested capital and return on equity.

6. Prospective investors shall submit, according to International Financial Reporting Standards, brief financial statements, at current prices per year for at least the first ten years of their investment plan from the commencement date of the infrastructure construction period.
c) Analysis of direct and indirect short-, medium-, and long-term impact of the investment on the Greek economy (investment impact assessment) that shall indicatively include inter alia:

1. Executive summary.

2. Impact to the sector.

3. Penetration into domestic and international markets (market share).

4. Improvement in meeting the needs of the domestic market: a) at the end-consumer level, b) at the intermediate good level.

5. Analysis of potential direct or indirect offset benefits in favour of the public sector.

6. Anticipated exports, and import replacement in volume and value.

7. Employment growth.

8. Foreign currency inflow (from countries outside the EU).

9. Regional development of the country (investment location: regions with lower than average development level of the country).

10. Strengthening of competitiveness.

11. Diversification of products and/or services.

12. Transfer of innovation and high-end technology from other countries.

13. Potential to open and/or create new markets.

14. Use of domestic raw materials (inflows from local and/or regional market).

15. Competitive and/or strategic advantage of the investment that transitions into a national advantage.

16. Value added products and/or services (as a percentage of the gross production value).

17. Creation of positive awareness regarding the country and its economy.

18. Development of synergies, collaborations, networks and/or clusters on a regional, national and international level.

19. Commercial exploitation of research and technology produced at domestic and foreign universities.

20. Patents and innovation.

22. Employment positions for people with disabilities.

23. Commitment for contributions to society (social dividend).

d) Urban and environmental characteristics of the real estate as well as environmental impact assessment and proposed countermeasures, depending on the type and nature of the investment

e) Certificates of ownership of fixed assets or leasing or cooperation contracts with the owner of the fixed asset (e.g. land, patent, etc.).

f) Copies of documentation regarding the licensing of the investment (previous licensing attempts, correspondence with Ministries, State agencies and authorities, summary of the actions taken to date)

g) Legal documents of the entity of the investment proposal (for existing companies, certified Articles of Association and published Government Gazette Issues; for companies under establishment, notarized Articles of Association; for natural persons, a copy of the national identification card and/or passport, Tax Identification Number (TIN) and brief curriculum vitae).

h) An irrevocable order and authorization according to paragraph 1(d) art. 14 of Law 3894/2010, as in force.

i) Proof of payment of the first instalment (10%) of the Evaluation Management Fee of the investment proposal, according to Article 16 of Greek Law 3894/2010, which is non-refundable. The total amount of the Management Fee is set at 0.2% of the total cost of the investment, with a minimum limit of € 100,000 and a maximum limit of € 300,000 Euros (plus VAT). (Note: The ICSI may set an additional Management Fee for the re-evaluation of investment proposals).

j) A solemn declaration under Law 1599/1986, attesting that all data and facts included in the submitted dossier are official and true, in accordance with paragraph 1(f), art. 14 of Law 3894/2010, as in force.

k) Any additional information necessary for the documented presentation of the investment plan and its impact according to Law.

l) Any additional data, as specified in the decisions of the Interministerial Committee for Strategic Investments.

Concurrent with the submission of the investment plan and the accompanying documents, one of the three copies shall necessarily receive a relevant number, be sealed and signed by both parties. This copy, called ‘the master copy’, shall be archived at Enterprise Greece.
Both parties shall sign a certificate of receipt of the business plan, which will acquire the relevant protocol number.

**Important Note:** The inclusion application shall not be registered in the “protocol book” in the event that any required supporting document is missing.

The 15-day deadline for the evaluation of the investment proposal by ‘Enterprise Greece S.A.’ commences from the date the plan is registered in the “protocol book”, provided that the dossier is complete.

**6c. Obligations of Investors included in the Strategic Investments Procedure - Investment licensing procedure**

Following the decision of the Interministerial Committee for Strategic Investments, the investor shall submit the following to the Directorate General for Strategic Investments of the Ministry of Economy and Development:

1) Proof of payment of the remaining part of the Evaluation Management Fee of the investment proposal to Enterprise Greece. In the event of non payment of the total Management Fee within ninety days (90) from the publication of the decision regarding the inclusion, it shall be assumed that the investor has not fulfilled its financial obligations.

2) Complete dossier containing all supporting documents that are required under Law for the approval and issuance of relevant permits and licenses. The Directorate General for Strategic Investments shall be obliged to forward the dossier to the departments responsible for the issuance of the respective permits and licenses, in accordance with the applicable provisions of the law, within five (5) days from the dossier’s submission.

Unless otherwise specified under a special provision, where in accordance with this Law the involvement of the administrative authorities is required, the relevant administrative procedure shall be completed and the necessary opinions, permits and licenses for the implementation of the projects shall be issued within an exclusive period of forty five (45) calendar days.

For the realization of Strategic Investments:

- in areas within approved urban (city) plans, specific and special deviations from the applicable building terms and restrictions of the area in question (Art. 7, L.3894/2010, as in force) shall be allowed.

- the granting of the right to use the foreshore and the backshore, shall be allowed, upon a petition submitted by the Directorate General for Strategic Investments (Art.8, L.3894/2010, as in force).
the auxiliary and accompanying external infrastructure works will be defined by virtue of joint ministerial decisions (Art.9, L.3894/2010, as in force).

- a special expropriations procedure is stipulated (Art.10, L.3894/2010, as in force).

- in case of private real properties, Special Integrated Development Plans for Areas of Strategic Investments Realization (ΕΣΧΑΣΕ) may be drafted by the Directorate General for Strategic and Private Investments, pursuant to the provisions of article 24 of Law 3894/2010, as in force.

In the context of the licensing procedures for Strategic Investments, all “paravolo” duties (a special duty imposed on some processes) provided for by the operative legislation shall be paid with a 10% discount on the total amount thereof.

The law ratifying the contract for the award of the project or the inclusion of the investment proposal within the scope of provisions of this Law may also include as incentives special tax regulations, such as the maintenance of the same tax system for a specified period from the commencement of operation of the strategic investment, the establishment of tax-free reserves, the procedure and time frame for refunding the VAT credit balance, as well as the reduction or exemption from taxes, special taxes and royalties or fees of third parties, pursuant to Regulation (EC) no. 800/2008 of the Commission of 6th August, 2008 (OJ L 214 of 9.8.2008, page 3), as it is in force at times, declaring certain categories of aid compatible with the Common Market, and in implementation of the aforementioned Regulation, as in force at times, and according to the statutory procedure of approval or notification thereof to the European Commission, as applicable in each case pursuant to the legislation of the European Union.

For more information on the Fast Track procedure, please contact Enterprise Greece S.A. using the special inquiry form at www.enterprisegreece.gov.gr

ENTERPRISE GREECE S.A.
109 Vasilisis Sophias Avenue
115 21 Athens
GREECE

T: +30 210 335 5700
F: +30 210 324 2079
Email: info@enterprisegreece.gov.gr
Website: www.enterprisegreece.gov.gr
BRIEF GUIDE OF THE PROCEDURE OF ACCELERATION AND TRANSPARENCY OF IMPLEMENTATION OF PRIVATE STRATEGIC INVESTMENTS

ENTERPRISE GREECE S.A.
109 Vasilisis Sophias Avenue, 115 21 Athens, GREECE
T: +30 210 335 5700, F: +30 210 324 2079
Email: info@enterprisegreece.gov.gr
Website: www.enterprisegreece.gov.gr