



**ENTERPRISE GREECE**  
INVEST & TRADE



# NEWSLETTER JANUARY 20

**EAST MED  
PIPELINE**

**GREECE-JAPAN  
RELATIONS**

**FINE GREEK  
HONEY**

# Greece, Cyprus and Israel sign East Med Pipeline agreement

Greece, Cyprus and Israel have agreed to an ambitious, \$6 billion natural gas pipeline stretching from the eastern Mediterranean to Europe, further cementing Greece's position as a regional energy hub at the crossroads of Europe, Asia and Africa.

The 1,800-kilometer East Med Pipeline is expected to carry natural gas from fields off Israel via Cyprus to Greece and onwards to Europe. The agreement, signed by energy ministers of the three countries on Jan. 2 in Athens, and presided over by the respective heads of government, marks a further step in the ever deepening, 10 year-old alliance among the three countries.

Since 2010, vast natural gas reserves have been discovered in the eastern Mediterranean – primarily in the seabed off Israel and Egypt, but also in Cypriot waters – which could potentially supply the European market for decades. Those reserves have drawn interest from oil and gas companies around the world, including Greece's Energean, which is investing \$1.7 billion to develop two offshore Israeli fields.

A separate agreement signed the same day between Energean and Greece's Public Gas Corporation (Depra), puts in place the first commercial deal supporting the East Med Pipeline project. According to a Letter of Intent between the two companies, Energean will supply Depra with 2 billion cubic meters of natural gas, representing one fifth of the East Med Pipeline's projected capacity. A first step towards realizing the project could come as early as next year with the construction of a 215 kilometer pipeline from Energean's Israeli fields to the island of Cyprus.

In the 10 years since its inception, Cyprus, Israel and Greece, have developed an increasingly close relationship on energy issues, including plans to connect Greece's power grid supply with Cyprus and through the cross-border Europe-Asia Interconnector. Both the planned power interconnection and the East Med Pipeline have received support from the European Union and have been explicitly backed by allies like the U.S., France and Egypt.

## Approx. Distance (km)

A - B	55
B - C	675
C - D	205
D - E	130
E - F	430
F - G	150
H - B	235



# news in **brief**

## **Greece-U.S. Relations**

Prime Minister Kyriakos Mitsotakis met President Donald Trump at the White House Jan. 7, confirming the deepening relationship between Greece and America. The visit follows a newly signed mutual defense treaty between Greece and the U.S. and the enactment of the East Med Act, which outlines U.S. security and energy partnerships in the Eastern Mediterranean.

## **Natural Gas**

The state-controlled natural gas companies of Greece and Bulgaria – Depa and Bulgartranzgaz – have each agreed to take 20% stake in the new Gastrade LNG project to be set up in the northern port of Alexandroupolis. The project, which includes an offshore regasification facility and pipeline, will help cement Greece's role as a regional energy hub and enhance Bulgaria's energy security.

## **Greek Stocks**

Greece's main equity index rose 43% in 2019 making the Athens Stock Exchange the top performing stock market in Europe, according to international business news channel CNBC. German business newspaper Handelsblatt said the rising prices of Greek assets reflects the increased optimism of international investors in the Greek market.

## **Greek Bonds**

Greece's Public Debt Management Agency said it plans to raise between €4 and €8 billion in 2020 despite adequate cash reserves to meet government funding needs. In a statement, PDMA said its debt management strategy will allow it to reduce its reliance on short-term T-bills, or for possible further pre-payment of official and private sector debt.

## **Greek Economy**

The Bank of Greece raised its forecast for Greek GDP growth to 2.4% this year, up from 2.1% previously, reflecting an accelerating economic recovery. For 2019, the central bank maintained its expectations of 1.9% growth. Greece's parliament last month approved the final 2020 budget, which foresees GDP growth of 2.8% this year.

## **Economic Sentiment**

Greek economic sentiment jumped to 109.5 points in December from 107.0, according to the monthly index by the Foundation for Economic & Industrial Research, its highest level in 12 years. The data showed improved expectations across the board, particularly in the building and services sectors. Separate data from December also show that Greek manufacturing grew at the fastest rate in Europe.

## **Sea Tourism**

The number of cruise ship visitors to Greece is expected to grow further following a 15% increase in 2019, marking a sharp upturn for one of Greece's fastest growing tourism products. According to data from the Hellenic Ports Association, the number of cruise ship arrivals surpassed 5.5 million last year, up from 4.8 million in 2018.

## **Golden Visa**

The number of Golden Visa residence permits last year jumped 22% from a year earlier, underscoring the growing popularity of the investment program. According to official data, Greece issued 2,239 permits in 2019, compared with 1,833 a year earlier. In total, 6,304 Golden Visas have been granted since the start of the program in 2014..

# Greece, Japan move to expand commercial relations



Greece and Japan are moving to broaden their commercial ties, building on the two country's long friendship and their shared dominance in world maritime trade.

Celebrating more than 120 years of diplomatic relations, Greece and Japan are the world's two leading ship owning nations and share common interests extending to every facet of maritime trade and beyond.

Greek maritime equipment suppliers have been expanding their presence in Japan, and Greek ship owners turn to Japanese shipyards for their most technically sophisticated ships. Currently, there are more than 15 Japanese maritime businesses represented in Greece.

Both nations face the challenge of new international rules on shipping emissions. And both are at the forefront of the fast growing field of logistics: a sector that Japanese businesses pioneered and where Greece is now emerging as a regional hub for south-east Europe.

In a visit to Japan in late January, Deputy Foreign Minister Kostas Fragogiannis underscored that the strong ties in the maritime sector could be expanded into other areas. Japan is already a fast growing market for Greek exports – and is set to grow further under the recent European Union-Japan Economic Partnership Agreement – while a Japanese delegation visited Greece last year to examine business opportunities in the hi-tech sector.

Greece is also keen to attract more Japanese visitors and businesses as it develops its tourism sector. Over the next years, Greece is poised to make significant investments on nautical tourism, including cruise and yachting tourism.



## COMING UP FEBRUARY

- FRUITLOGISTICA 2020, international fresh produce trade fair, Berlin (Feb. 5-7)
- Enterprise Greece: joint business mission to Malaysia, Philippines (Feb. 10-13)
- Gulfood, international food & beverage exhibition, Dubai (Feb. 16-20)
- CPM-Collection Premiere Moscow, fashion trade show, Moscow (Feb. 24-27)

# Greek honey products recognized, exports grow

Greece's honey producers – building on a tradition stretching back three and-a-half millennia – are seeing growing recognition and exports even as bee cultures worldwide come increasingly under threat from environmental pressures.

Recent data show that Greek honey exports have been rising at double digit rates in select European markets, like France. While at the 2019 London Honey Awards last spring, Greek honey producers took home 17 awards, including three of five platinum awards.

Almost all Greek honey, around 80%, comes from bees that forage off wild, not cultivated, plants. Combined with the country's rich and varied flora -- there are at least 120 different flowering plants and trees that provide fodder for Greek bees – Greece produces a wide variety of different and unique types of honey: pine and fir honey, orange-blossom and flower-blossom honey, heather and thyme honey.

With its long tradition in apiculture, Greece has the highest density of bee colonies in Europe with 11.4 colonies per square kilometer. Greeks also consume more than one and-a-half kilograms of honey per person per year, the highest per capita consumption in the European Union.

Note: Awards winners link:  
[http://londonhoneyawards.com/awards-results-2019/#\(grid|filter\)=.platinum;](http://londonhoneyawards.com/awards-results-2019/#(grid|filter)=.platinum;))

## CONTACT US

To learn more about the many investment and trade opportunities Greece offers, visit us today at [www.enterprisegreece.gov.gr](http://www.enterprisegreece.gov.gr)

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