



ENTERPRISE GREECE
INVEST & TRADE



NEWSLETTER
JUNE 20

**GREECE'S GREEN
STRATEGY**

**DIGITAL
TRANSFORMATION**

**OUR VIEW:
GREEK SAFFRON**

The newsletter is a monthly publication of Enterprise Greece, the national investment and trade promotion agency.

GREECE IMPLEMENTS SUSTAINABLE DEVELOPMENT STRATEGY

Greece is implementing a national strategy for sustainable development, aiming to boost investment in clean energy, upgrade land use regulations, and adopt new technologies and methods to protect the environment.

This month, Greece began demolishing illegal buildings built on public and protected lands -- the first of more than 1,100 such structures to be razed by year end. In early June, the government unveiled a €100 million program to promote electric vehicles. In late May, Greece's privatization agency became one of the first in the world to adopt new environmental ratings in evaluating projects. While in early May, the government passed a new law to drastically simplify licensing procedures for renewable energy and waste management projects, among other things.

Although famed for its natural beauty, landscape and biodiversity, Greece has lagged other countries in Europe in the management of its natural resources. A stifling bureaucracy and the absence of a national strategy for sustainable development has led to both stymied development and sub-par environmental protection. In some cases, investors have waited more than a decade for environmental approvals, in other cases, unregulated development has encroached on public lands.

By bringing Greek law in-line with European Union standards, the government aims to make sustainable development central to Greece's long-term growth. Last year, it announced that a new, 10-year tourism plan it was developing would emphasize

sustainable development for the sector. Likewise, a €44 billion national energy program adopted last year foresees €9 billion worth of investments in renewable energy over the next decade and the complete phasing out of lignite-fired power plants by 2028.

Under the new, omnibus environmental law approved in May, it will take less than two years to receive a permit for a renewable energy project -- compared with eight years previously. Likewise, the approval procedure for new waste management facilities -- where Greece has fallen under European sanctions for past delays -- will also be drastically reduced to less than 6 months.

WITH THE NEW LAW FROM THE MINISTRY OF ENVIRONMENT

6 significant reforms in environmental legislation



Drastic simplification in environmental license procedures



Speeding up the issuance of RES licenses



New european model for the management of protected areas



Addressing the problems of forest areas and urban densities



Extending the use of fees on plastic bags



Solutions to waste management problems around the country



news in brief

Maritime Zone

Greece and Italy have signed an agreement demarcating their maritime boundaries and establishing their exclusive economic zones in the Ionian Sea. The agreement, which has been pending for decades, comes amid recent discoveries of vast hydrocarbon reserves in the Eastern Mediterranean. Greece is currently negotiating with Egypt over a similar maritime agreement to demarcate boundaries to the south of the country.

Recovery Fund

Greece is expected to receive some €32 billion euros under the European Commission's proposed €750 billion Next Generation EU recovery fund. The fund, which aims to help restart Europe's economy following the global coronavirus pandemic, is expected to include about €22.5 billion worth of grants and €9.4 billion worth of loans for the country. Separately, the Eurogroup approved the disbursement of aid and debt relief measures worth €748 million in total for Greece.

Greek Bond

Greece raised €3 billion from the issuance of a 10 year bond at a yield of 1.57%. The low yield reflected strong investor interest in Greek debt with total demand reaching €15.75 billion.

Tourism Restrictions

Greece is expected to lift coronavirus-related restrictions on virtually all incoming tourists from July 1, regardless of nationality, as it re-opens to international tourism. However, the government said it will continue to implement a spot testing and quarantine program on travellers from abroad.

Crete Connection

Greece's power grid operator ADMIE has signed the contracts for the construction of a €1 billion, high-voltage link connecting the island of Crete with Attica on the Greek mainland. The project is a key part of a larger, cross-border European Union initiative to connect with the electrical grids of Cyprus and Israel, while also ending the energy isolation of Crete. ADMIE said its fully-owned Ariadne subsidiary has secured a €400 million loan from Eurobank to finance the project.

Natural Gas

Greece's privatization agency said that six interested parties have qualified for the second round of bidding for DEPA Infrastructure, the state-controlled natural gas distribution network. Among the six were investors from China, Italy, the U.S. and Australia. In a separate announcement, the Hellenic Republic Asset Development Fund, announced that it had shortlisted seven prospective investors for the sale of DEPA Commercial, the country's dominant natural gas supplier.

Corfu Development

After years of delays, construction work has begun on the €120 million Kassiope Project, a planned seaside resort development on the island of Corfu. U.S.-based investment fund NCH Capital acquired the property in 2012 but the project faced years of judicial and bureaucratic obstacles.

Enterprise Greece

The Board of Directors of Enterprise Greece have recommended six new investment projects totaling €596 million for special investment status and referral to Greece's Inter-Ministerial Committee on Strategic Investments. The six projects, which include a marina and five mixed-use resorts, are expected to create 1,395 permanent jobs.

Greek companies, consumers embrace digital transformation

After lagging the rest of Europe for years, Greek companies and consumers have embraced online commerce which, combined with government efforts to boost digitization, confirm that a new digital era is dawning in Greece.

Recent surveys show how online commerce has boomed as a result of the nationwide lockdown ordered by the Greek government in March to combat the coronavirus pandemic. Separate studies by the Athens Chamber of Tradesmen and the Greek e-Commerce Association (GRECA), show the number of online purchases has more than doubled in the two and-a-half months corresponding to the lockdown.

But even with the relaxation of public health restrictions, Greek shoppers have remained online.

Despite the end of the quarantine, consumers are not automatically returning to regular stores but continue to shop online, showing increased trust in electronic channels,

GRECA notes.



According to its data, the amount spent on online transactions grew at an average rate of about 160% in April, and at a more than 90% rate in May, compared with a year earlier.

The government has promoted digital services as a way of cutting red tape and boosting productivity in the economy. It has rolled out of a new, e-government platform that provides hundreds of public services online.

It has also encouraged private companies to adopt new digital strategies. Starting this month, Enterprise Greece has begun hosting special webinars each week – Tech Tuesdays – to teach exporters how to use social media and other digital tools to market their products.

Our View



Betty Alexandropoulou
Executive Director - Board Member

GREEK SAFFRON EXPORTERS SHOW THE WAY



Recently, the Greek saffron producers' cooperative of Kozani announced it was readying its first export shipment to China. We congratulate them on their success and observe how their success is a model for many other fine Greek products.

Saffron has been cultivated in Greece since the Bronze Age and has been prized across civilizations for millennia. But the contemporary history of Greek saffron begins in the 1960s when the saffron producers of Kozani joined together to form a cooperative.

The aim of the cooperative, which now consists of roughly 1,000 members, was to enjoy better prices for their product. But other initiatives have followed. In the last 30 years, the cooperative has charted a bold course: receiving ISO certification, PDO protection, and striking an investment partnership with Greece's Korres natural products brand.

Clearly, entering China's vast market is a success worth emulating by other Greek exporters. But so too is the dynamic entrepreneurialism of the saffron producers of Kozani.



COMING UP JULY

- Resumption of international flights to Greek regional airports (July 1)
- Enterprise Greece participates in an online discussion hosted by EENE (Greek Entrepreneurs Association) on the Future of Agrifood (July 2)
- Enterprise Greece: Export webinar on marketing via social media (July 7)
- Enterprise Greece participates at the sectoral seminar on European Union External Aid Programmes titled: " Covid response in EU External Action financing" (July 9)
- Enterprise Greece: Export webinar on social media to promote products (July 14)

CONTACT US

To learn more about the many investment and trade opportunities Greece offers, visit us today at www.enterprisegreece.gov.gr

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