

Fall 2018

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 with GDP up by 1.5% in 2017 and rising to 2.2% in 2018 H1, 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, earlier in August, Greece's investment and growth revival has been the result of the government's new National Development Strategy (NDS), 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 a nearly 30% increase in FDI performance during 2017, with FDI performance of 2018H1 already providing positive signs for another year of FDI growth.

Tourism

Greece in 2017, for a 5th consecutive year, sets a new record in tourist arrivals, with 30.2 million Arrivals (7.4% y-o-y increase), Tourist receipts at €14.6 billion, essentially an Export champion sector for the Greek economy, with a contribution of 27,3% in GDP and 37,2% in employment (2017)

Investment Opportunities

- » Integrated resorts
- » Medical tourism – Thalassotherapy
- » Marinas
- » Public and private real estate projects



Economic outlook, snapshot

SELECT ECONOMIC INDICATORS

	2015	2016	2017	2018 FORECASTS	2019 FORECASTS
GDP	-0,4	-0,2↓	1,5↑	2,0↑	2,0↑
Gross fixed capital formation	-0,7	4,7↑	9,1↑	-2,1↓	14,6↑
Exports (goods and services)	3,1	-1,8↓	6,8↑	8,4↑	5,7↑
Unemployment rate ^(a)	24,9	23,6↓	21,5↓	19,6↓	18,2↓
General government balance ^(b)	-5,6	0,5↑	0,6↑	0,6↑	0,6↑
Inflation (HICP)	-1,1	0,0↑	1,1↑	0,8↑	1,2↑

(a) as % of total labour force. (b) as a % of GDP • Source: Autumn 2018 Economic Forecast, European Commission

annual percentage change

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 25.2 %** and **Employment 33.6 % of Manufacturing Activity**, Exports €5,5 billion / 19.5% of total exports (2017)

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 2013-2016 more than **80 startups** have been created, absorbing approx. **€400 mn.** of funding

Investment Opportunities

- » Call Centers/ Shared Service Centers, availability of English-speaking staff
- » Software development
- » ICT innovation and research activities

Pharma & Health



Extensive R&D know-how, over **€150 mil.** invested in 2017, along with pharmaceuticals manufacturing have been well-established in Greece and exhibit world-class recognition and collaborations

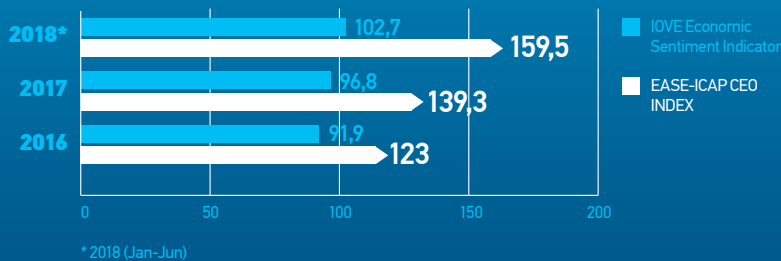
A regional hub for **clinical trials**, as the majority of international pharmaceutical companies conduct clinical trials in Greece, with more than 2000 protocols run in 2017

Investment Opportunities

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

Net Foreign Direct Investment inflows during 2017 reached **3.2 bn Euros** a **28%** y-o-y increase

Economic sentiment indicators IOVE and EASE-ICAP



Logistics

Greece is emerging 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

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

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 **€25bn**, in the medium term

Investment Opportunities

- » Electricity production, lignite deregulation and privatisation of assets
- » 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

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.hradsf.com/en)

Investment Opportunities (rolling ahead)

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

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 nearly **€13bn of financing approved**, since 2012

- » **Job creation grants** (subject to availability) by **OAED**, covering wage cost or insurance contributions

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

ENTERPRISE GREECE
INVEST & TRADE

Enterprise Greece is the official agency of the Greek State, under the supervision of the **Ministry for Economy and Development**, 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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