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Greece as an
investment destination



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Foreword

Organizations, in their pursuit of growth, expansion and improved financial performance, are constantly assessing geographical regions offering economic potential, stability, and a conducive business environment. Strategic decisions of this nature can be crucial to achieving sustained success in a constantly evolving business landscape.

In this context, Greece emerges as an attractive investment destination, presenting opportunities that could positively impact the portfolios of investors.

In recent years Greece has undergone a remarkable economic transformation, attributed to the government's commitment to structural reforms, which include digital transformation initiatives, simplification of bureaucratic processes and improved transparency, as well as to the resilience of its business community. Consequently, Greece's business landscape has become much more appealing to foreign investors.

Greece's attractiveness for investment is underpinned by a diverse and dynamic economy. Beyond the traditional sectors of tourism and shipping, which remain robust, the country's economic footprint is expanding in new fields such as renewable energy, technology, real estate and agribusiness.

Moreover, the highly skilled domestic workforce, combined with an entrepreneurial spirit, position Greece as an emerging hub for innovation across various sectors and industries.

Greece is becoming an investment destination with the potential for substantial returns and enduring success.



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Why Greece | at a Glance



Strategic Location

Greece's geographical location facilitates access to markets in the European Union, the Western Balkans, the Middle East and North Africa.



Investment Incentives

Greece offers tax incentives, subsidies and other forms of support to attract foreign investments, aiming to enhance the business environment and encourage international companies to invest.



Skilled Workforce

Greece's skilled workforce in various sectors (e.g. tourism, technology etc.) is an asset for companies seeking to establish or expand operations in the country.



Privatization Opportunities

Greece's privatization efforts aim to boosting economic efficiency and reducing public debt, creating opportunities to invest in enterprises currently under state control across key sectors of the economy.



Infrastructure Development

The country's infrastructure is being upgraded, including transportation networks, ports, and energy, setting the foundations for further development opportunities.



EU Membership

Greece's EU membership offers to investors access to a broad market, funding opportunities and a stable and transparent business environment.

Industry Focus ...



Tourism Industry

Greece's solid tourism brand, rich history, cultural heritage, and scenic landscapes establish the country as an appealing investment destination for tourism, hospitality and other real estate investments.



Renewable Energy

The country's energy transition towards a more environmentally friendly future, actively attracts investments in renewable energy and sustainable projects.





Chapter

The Greek Economic Landscape

1. The Greek Economic Landscape

Overview



KEY ECONOMIC INDICATORS



GDP growth (%, YoY)

2023	2024	2025
2.0	2.2	2.3

In the midst of the global disruptions triggered by the COVID-19 pandemic, **the Greek economy has demonstrated resilience** and a gradual **recovery**, underpinned by domestic reforms and substantial EU support. After robust growth in 2022, **economic activity continued to expand at a satisfactory rate** in 2023, outperforming the euro area average.

Geopolitical tensions due to **the conflicts in Ukraine and the Middle East severely affected Greece's economic landscape**. Increased geopolitical uncertainties have led to market instability, and disruptions in trade routes, highlighted the effect of global geopolitics on economic stability.

Mirroring the prevailing global economic conditions, Greece witnessed an **escalation in inflation rates** as geopolitical tensions caused **substantial disruptions in the energy markets**. This upheaval has caused a surge in energy prices, thereby adversely affecting consumer disposable income and escalating operational cost for businesses.

The Greek economy remains vulnerable to inflation, primarily due to its dependence on imports. Although recent declines in global energy prices have moderated inflation, **persistent core inflationary pressures** (excluding energy and food prices) remain a significant challenge.

Despite the uncertainties, **Greece remains attractive for foreign direct investment**. The country's political stability, declining unemployment rates, skilled workforce and steadily improving business environment have fostered confidence among investors.

Greece's economy has been recovering gradually, driven by ongoing reforms, EU funds, and the recent investment grade status reclaim. Additionally, **efforts are underway to address weaknesses, foster innovation, and support inclusive growth**. Looking ahead, priority areas such as digital transformation, infrastructure investments and sustainability initiatives are expected to continue improving Greece's competitive position and attractiveness.



Inflation (%, YoY)

2023	2024	2025
4.2	2.8	2.1



FDI (€ billion)

2021	2022	2023
5.3	8.0	5.0



Unemployment (%)

2023	2024	2025
11.1	10.3	9.7



Gross public debt (% of GDP)

2023	2024	2025
161.9	153.9	149.3

1. The Greek Economic Landscape

GDP growth & Inflation evolution

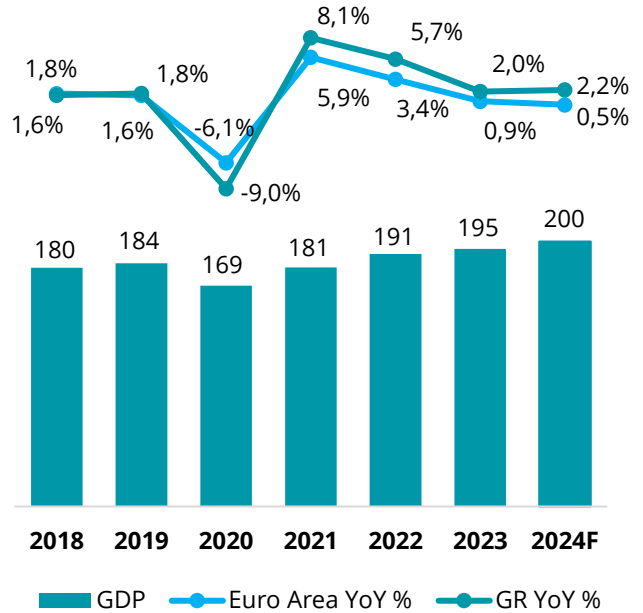


The Greek **economic landscape** **sustained** the **positive momentum** **achieved in the preceding years** (since 2020), demonstrating resilience in the face of global challenges and domestic natural disasters.

In 2023, the country's economy experienced a solid yet decelerating **GDP growth rate of 2.0%**, notably outpacing the average growth rate of the euro area. This indicates a steady performance relative to other countries in the region.

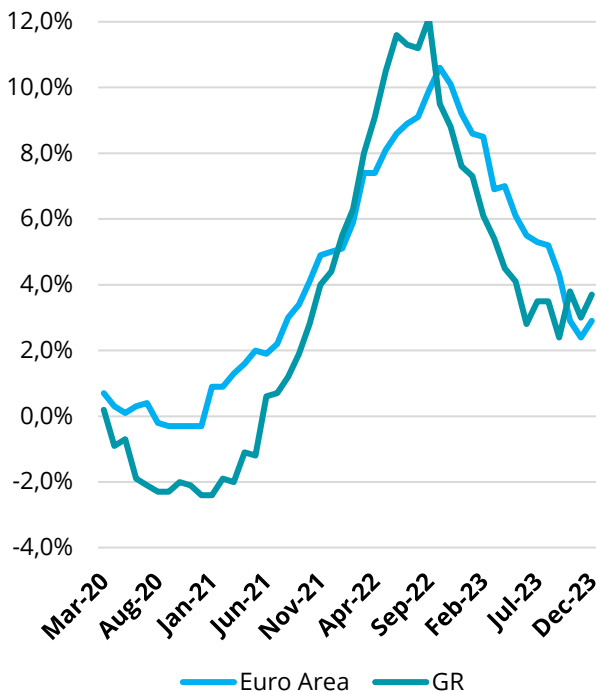
The **main factors** contributing to the GDP growth, included notable **domestic and foreign investments**, a considerable increase in **tourism** revenues driven by higher spending from foreign tourists, enhanced **export activities**, and heightened **private consumption**.

Real GDP, non-seasonally (€ bn.)



Source: National Statistical Service of Greece

Inflation evolution



Source: Eurostat

In 2022, **global inflation surged to levels not experienced for decades**, reaching its peak during the fall season. While headline inflation has subsequently decreased, owing to improved supply chain conditions and a decrease in energy prices to pre-crisis levels, the future trajectory of inflation remains an important area of concern.

Inflation rate in Greece decreased to 4.2% during 2023, mainly due to a drop in energy prices and the implementation of effective monetary policy measures. On the other hand, food prices and core inflation show a divergent trend, continuing to put pressure in both business costs and household incomes.

Nonetheless, according to the Bank of Greece, **inflation is projected to gradually decelerate further in 2025 and 2026, to around 2.0%**, with muted energy inflation and decelerating prices in food, non energy industrial goods (NEIG), and services.

1. The Greek Economic Landscape

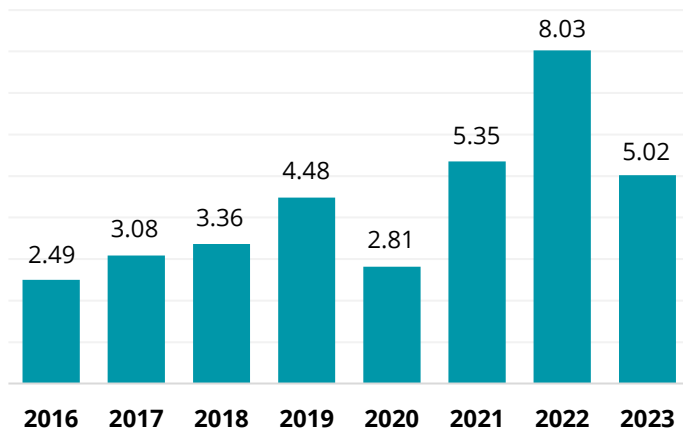
FDI & Unemployment rate



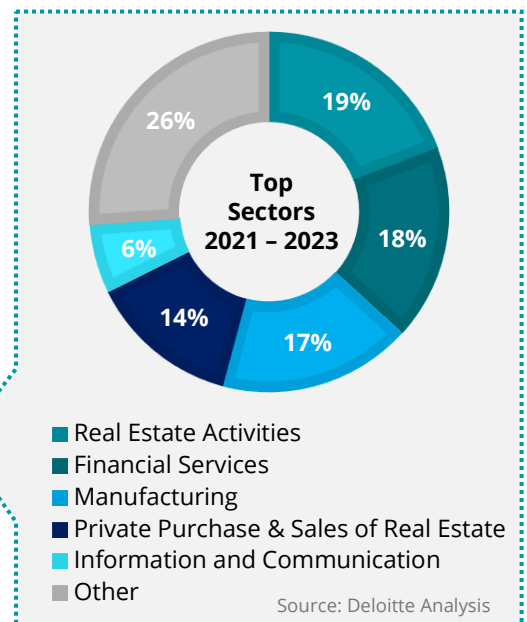
Foreign Direct Investment (FDI) in Greece is steadily increasing in recent years. According to data released by the Bank of Greece, the net inflow of FDI in Greece exceeded **€8.0 billion in 2022**, increased 48.2% from the previous year and 76.8% higher compared to 2019, the year before Covid-19.

This accomplishment signified a **historic milestone**, as it denoted **the highest net FDI inflow since 2002**. It underscored the positive trajectory of the Greek economy and the systematic efforts of recent years to attract foreign investments to the country.

Foreign Direct Investment – FDI in Greece (€ bn.)



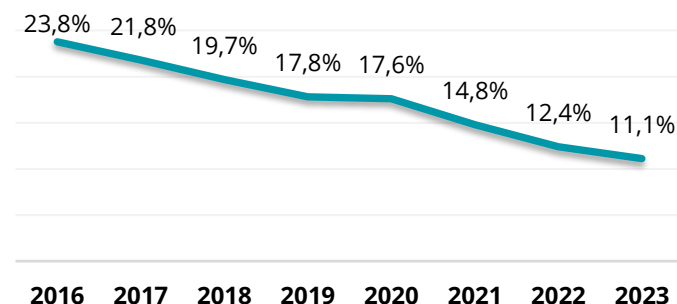
Source: Bank of Greece



Source: Deloitte Analysis

Lower FDI flows in 2023 were attributed by the Governor of the Bank of Greece **mainly to global economic uncertainty, high interest rates and increased energy costs**, stressing the need to further improve the Greek economy's competitiveness.

Unemployment rate



Source: National Statistical Service of Greece

Unemployment has consistently declined, reaching **its lowest level** in more than 13 years **at 11.0%**. A continued **decrease is expected**, **provided that the economy remains on a growth trajectory** and continues to attract investments. Despite the decline in unemployment rates, **key sectors** such as construction, agriculture, professional services, and retail, are **facing shortages of skilled workforce**.



Chapter

Greece as an Investment Destination

2. Greece as an Investment Destination

A gateway to Europe, Middle East & Africa



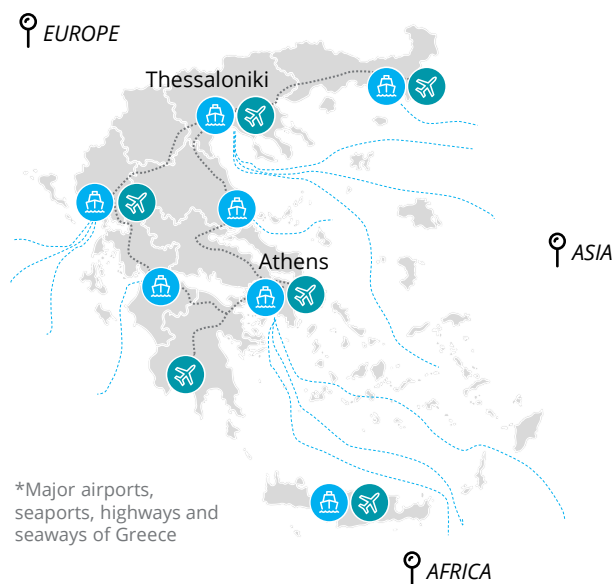
Greece's Location

Due to its **strategic location**, Greece emerges as **an appealing destination** for **global investments**.

At the crossroads of Europe, Asia, and Africa, **the country provides significant logistical advantages** for accessing multiple markets.

Additionally, Greece is a **key player in global maritime trade**, controlling a significant portion of the commercial fleet, with **major ports serving as crucial hubs** in international shipping routes.

As an EU member, **the country offers a stable business environment** with major funding opportunities.



Logistics Hub

In recent years, Greece has demonstrated **substantial advancements in the logistics sector**, as evidenced by its notable improvement in the World Bank's Logistics Performance Index (LPI). The country has progressed **from the 54th position in 2010** to the 42nd position in 2018 and **further elevated its standing to 19th in 2023 on a global scale**.



LAND TRANSPORT

Greece has one of the most developed road networks in Southeast Europe, consisting of more than **2,000 km of highways and motorways**.



SEA TRANSPORT

In total, **more than 25 important commercial seaports** are currently operating in Greece, **5 of which have been identified by the EU as ports of strategic interest** and key maritime interfaces of the Orient / East-Med (OEM) corridor.



AIR TRANSPORT

Greece has **a total of 45 airports**: 15 serve international traffic, 26 are domestic and 4 are smaller municipal airports.

2. Greece as an Investment Destination

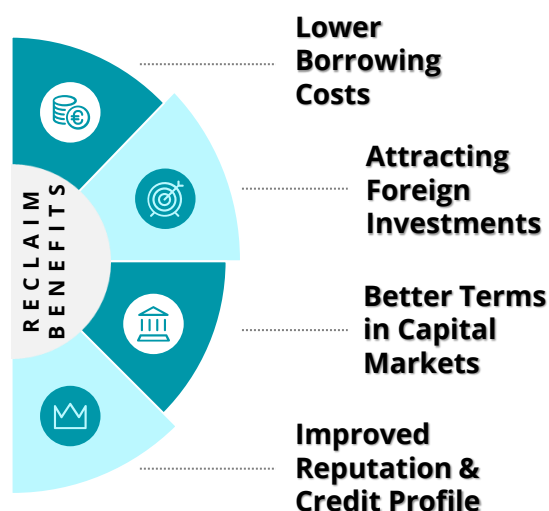
Investment grade & Banking system



Investment Grade Status

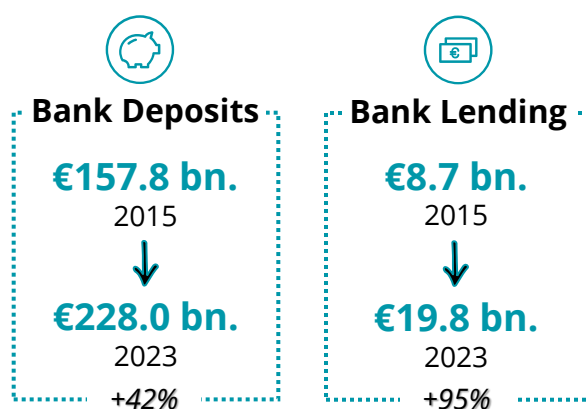
After more than a decade, **Greece has successfully reclaimed its investment grade status**, signifying a **crucial milestone in its economic resurgence**. The commendable performance of the Greek economy has been recognized by credit rating agencies, earning **five upgrades in 2023**, initially by R&I, Scope and DBRS, with Standard & Poor's and Fitch following in October and December respectively.

Source: Deloitte Analysis



Greek Banking Sector

The Greek banking sector is characterized by **robust growth and transformation**, enhanced by the regain of the country's investment-grade status, **successful bond issuances**, and the firm commitment of financial institutions to **maintain strong balance sheets**. Underpinned by increased **interest of prominent foreign investors**, the strengthening of the **stock market** and generation of **new investment prospects**, the banking sector is on a favorable path.



Sources: Hellenic Bank Association, Bank of Greece

Good to know that ...

The Greek Bank's non-performing loans (NPLs) portfolio has de-escalated to single digit percentages, down to **6.6%** in 2023, but **still higher than the European average of 1.9%**. Systemic banks have a stated goal to further reduce their **NPLs to approximately 5% by 2025**.

Athens Stock Exchange

Composite Index	893.34 2021	929.79 2022	1,293.14 2023
Market Capitalization	€65.4 bn. 2021	€65.1 bn. 2022	€87.8 bn. 2023
Share Capital Increase	€8.1 bn. 2021	€1.1 bn. 2022	€2.0 bn. 2023

Sources: Deloitte Analysis, Athens Exchange Group

The reclaim of the investment-grade status sets the stage for the Athens Exchange's transition **from emerging to developed markets** in early 2025. In 2023 the Athens Stock Exchange closed with a **39.1% increase**, achieving its **third consecutive year of growth** (+4.1% in 2022 and +10.4% in 2021), while being awarded the **"bronze" medal** in the global ranking.

2. Greece as an Investment Destination

Overview of the M&A activity in 2023



Mergers & Acquisitions

In the face of recent adversities (pandemic, energy crisis, inflationary pressures etc.), Greece has emerged as a **compelling destination** for merger and acquisition (M&A) activity, marked by **increased deal flow** and **strategic transactions**.

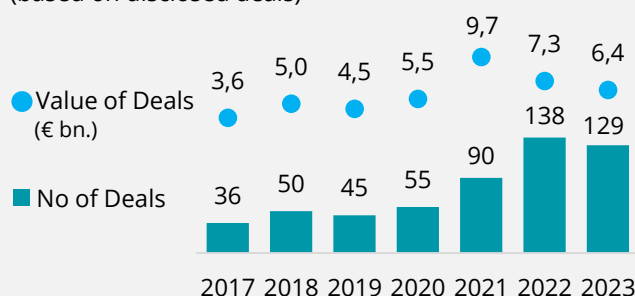
The country's **resilience** is evident in a notable **recovery** of the M&A landscape.

Furthermore, **Greece is aligned with the global M&A trend**, experiencing a steady increase until 2022 followed by a slight decrease in 2023, as indicated by disclosed data on both transaction volume and value.

Despite last year's reduction, **noteworthy transactions by major funds and companies with a substantial impact on the domestic market**, followed by **privatizations** and **concessions** that enhanced the domestic M&A landscape.

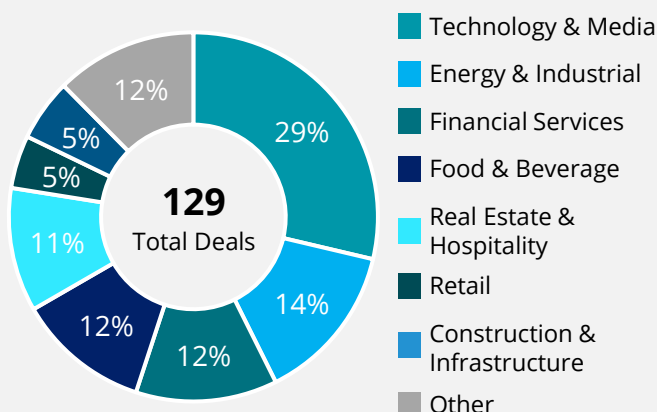
Evolution of M&A Transactions in Greece

(based on disclosed deals)



Sources: Deloitte Analysis, Refinitiv, Mergermarket

Deals in Greece, per industry - 2023



Technology

The Greek **ICT sector** attracts considerable **global interest**, with a focus in investing in local startups. Global organizations like Deloitte, Pfizer and Chubb **strategically chose Greece** for **high-value investments** through the establishment of **tech competency centers and hubs**, boosting the sector's prominence.

Energy

Privatization efforts have successfully **attracted foreign capital** to Greece's energy sector, while domestic companies' investments helped stimulated **advancements in renewable energy**. These coordinated endeavors align with Greece's environmental objectives and aim to achieve ambitious green targets set for 2030.

Hospitality

Greek **hotels and resorts** experienced a surge in **acquisitions by international chains** and **funds**. Interest in **boutique and luxury properties** aligns with Greece's **tourism appeal**. Joint ventures between local and international hospitality companies **drive market growth** in Greece's dynamic **hospitality landscape**.

Financial Services

Consolidation in **financial services industry** (e.g. banking, insurance) strategically aligns to global market dynamics. Foreign banks entering through acquisitions or alliances drive banking evolution. Notable cases, such as **Viva Wallet's acquisition by JP Morgan** and the **strategic agreement between Alpha Bank and Unicredit**, showcase the **dynamic potential** and **international collaborations** in the banking sector.



Chapter

Select Industries of Focus

3. Select Industries of Focus

Tourism



TOURISM

Tourism in Greece is more than just a sphere of activity, it is part of the Country's **brand identity** and a **fundamental pillar of its economy**. Greece's **popularity as a tourism destination** is constantly increasing, attracting growing numbers of high-spending travelers. The Greek tourism sector exhibits **resilience**, unique **competitive advantages** and **better performance** compared to key competitor destinations.

The swift post-COVID-19 rebound, quality and performance of Greek tourism **attracts the attention of global investors**, who recognize its upside potential, despite the ambiguity and challenges globally. This has produced **noteworthy deals and investments** from both **established and new players**, seeking to capitalize on the positive outlook of the sector and the ever-improving business environment.

Over the next years, Greece is poised to attract significant investments in the tourism industry mainly focused on sustainable development and upgrading of the tourist product, and driven by specific opportunities:



The Hellenic Republic Asset Development Fund (HRADF) is actively engaged in the **privatization of various important state-owned assets in the tourism and transportation infrastructure**, including marinas, regional airports, and tourist properties, among others.



The development of premium tourist resorts and properties in Greece is being actively supported **through a combination of urban planning incentives, funding and tax incentives**, given for such developments.



The development of **specialized tourist products and facilities** focused on **specific themes** (Gastronomy, Culture, Wellness, etc.), **categories** (medical tourism, MICE, etc.), **markets** (USA, Israel, Asia, etc.) and/or **traveler segments** (elderly, couples, etc.).



The emergence of **new business models and concepts** (e.g., youth hostels, senior living communities, wellness & green/eco resorts, lifestyle urban hotels), in alignment with global tourism trends (i.e., sustainability, personalized and authentic experiences) and demographic changes.

Why Greece ... ?



Brand value

Greece boasts numerous destinations that are widely favored by global tourists and enjoy international acclaim for their premium holiday allure.



Geography & Landscape

Greece offers an extensive range of enticing destinations for holidays throughout the year, encompassing sunny islands and beaches, as well as snowy peaks and forests.



History & Culture

With over four millennia of documented history and a wealth of sites, museums, and locations, Greece offers opportunities to witness history unfolding before one's eyes.



Established infrastructure

More than 800,000 hotel beds, more than 500 conference facilities, more than 8,000 yachting births, as well as direct air links from major European airports to several destinations.

3. Select Industries of Focus

Energy



ENERGY

Greece is currently undergoing a **major transformation** in its energy sector, rapidly **shifting away from carbon intensive fuels**. Nowadays, renewable energy penetration is higher than ever before in the energy mix, with multi-GW capacity additions of solar and wind parks. Less mature technologies such as batteries, biogases and hydrogen are expected to boost the decarbonization efforts.

At the same time, **major under-development projects**, including cross-border gas pipelines and electricity interconnections, are uplifting **Greece's role** in the wider region. Greece is emerging **as an energy exporting hub** in the southeastern corner of Europe, potentially combining green power and natural gas exports to **enhance Europe's energy stability** and self-sufficiency efforts.

The energy sector is set for considerable expansion in the years ahead, fueled by various factors:



The **ongoing transition of the country's energy mix**, as outlined in the revised National Energy & Climate Plan, necessitates a substantial boost in renewable energy capacity and the electrification of buildings and transportation.



Additionally, a **robust emphasis on renewable energy initiatives**, particularly in wind and solar sectors, with significant potential for offshore wind, battery energy storage systems, biogas, and hydrogen development.



Current **hydrocarbon exploration efforts** are revealing promising signs of viable fields, potentially **enhancing Greece's status as an energy-exporting nation** and supporting the region's goals of achieving self-sufficiency.



Greece is poised to export natural gas to neighboring countries, with the initial Floating Storage and Regasification Unit (FSRU) in Northern Greece commencing operations recently. Additionally, the natural gas pipeline connecting Greece and Bulgaria became operational in late 2022. These ongoing **gas projects are expected to bolster the country's export capabilities**.

Why Greece ... ?



Strategic position

Greece is becoming a vital player in East-to-West energy transport, utilizing pipelines, cross-border grid connections, and alternative methods like offshore reserves, LNG terminals.



Generation potential

With over 250 days of sunshine annually and robust wind capacity, Greece holds substantial untapped generation potential, particularly in renewables. This can contribute significantly to enhancing the EU energy mix and security of supply.



Green technologies

Technologies such as battery energy storage systems, offshore wind parks, and green gases are presently at an early stage of development. However, there is an increasing interest and momentum in pushing forward their advancement, with support schemes and improved regulatory frameworks facilitating investment opportunities and unlocking their potential.

3. Select Industries of Focus

ICT



ICT

The Information & Communications Technology (ICT) sector emerges as **one of the most promising** in the Greek economy, primarily fueled by the **increasing demand for automation and digitalization** across both public and private sectors.

Undergoing an extensive digital transformation, **Greece aims to achieve full digitization by 2025**. Spearheaded by the ICT sector, the government's initiatives focus on streamlining procedures, minimizing bureaucracy, and fostering the digital economy.

Greece presents **attractive investment opportunities** in the ICT sector, supported by a highly skilled workforce, international education standards, and entrepreneurial talent.

In the foreseeable future, a substantial surge in ICT business opportunities is anticipated, primarily due to:



Greece is a strategic destination for a variety of investments in the ICT sector. The country offers a **favorable environment for the establishment of data centers**, ensuring robust infrastructure for digital operations.



The Greek ICT sector is regarded as a **strategic contributor to the national economy**, demonstrating significant growth in recent years with a **compound annual growth rate (CAGR) of 5.4%** from 2018 to 2022.



Additionally, Greece is **actively engaged in smart city initiatives**, showcasing a commitment to technological advancements. The provision of B2B Cloud Services further enhances the country's appeal for businesses seeking reliable and innovative solutions.



Furthermore, around 160,000 professionals are currently employed in the ICT sector, **with projections indicating that this number will nearly double by 2030**.

Why Greece ... ?



Skilled workforce

According to the Global Talent Competitiveness Index, Greek engineers and scientists consistently hold top positions globally in terms of education level, skills, and human resources within the ICT sector.



Attractive funding opportunities

Investments in the Greek technology market can leverage various funding opportunities available from both public sources, such as EU structural funds and Public-Private Partnership (PPP) initiatives, as well as private sources.



Unicorns / Soonicorns

Greece is emerging as a key player in Southeast Europe's innovation landscape, boasting major unicorns/soonicorns with several more startups poised to reach a billion-euro valuation in the near future.



Digital Nomads

According to Digital Nomad World Community's survey, 96% of digital nomads who worked in Greece expressed a favorable opinion for the country.



Tech Visa

Allows employees, investors, and business founders from outside the EU to obtain a residence permit and work within businesses listed in the national startups register (Elevate Greece).

3. Select Industries of Focus

Global Business Services



GLOBAL BUSINESS SERVICES

Greece is emerging as an **appealing destination for establishing group-wide service centers**. With a business-friendly environment and a **modern legal framework for global business services**, Greece witnesses a transformation in the **business process outsourcing (BPO) landscape**, marked by the entry of leading organizations into key regions of Greece, contributing to the generation of thousands of new jobs.

Greece combines **significant competitive advantages** such as an appealing quality of life, a large talent pool of competent graduates, leading academic institutions and research centers and an extrovert society that have contributed towards gradually transforming Greece as a Global hub for business, technology and innovation services.

Greece is an attractive choice for major multinational firms seeking to locate centralized functions, including accounting & finance, research & development, technology & engineering and omnichannel customer experience.

Major factors that will boost investments:



Greece has emerged as a **regional hub for global business services**, driven by a growing talent pool of well educated and skilled University graduates and a comprehensive infrastructure that encompasses product design and development, technical support, data centers, assembly, and distribution of ICT products.



Greece is **strategically positioned as a business travel destination**, boasting excellent connectivity to numerous major business and entrepreneurship hubs and proximity with the regional markets. At the same time, the country's **geopolitical standing** (member of EU, NATO, Schengen etc.), acts as a safeguard in terms of **stability**, while further facilitates cross-border business operations.



Greece offers an excellent quality of life combined with a holistic and efficient business ecosystem for global enterprises seeking a **conducive environment for streamlined operations and sustained growth**.

Why Greece ... ?



Educational reform

National reform programme is currently implementing numerous programs of training in high-demand skills (e.g. digital, "green", "blue" skills), focused on upskilling / reskilling as a means to address the skills gap. Additionally, approximately €4 billion will be allocated on HR and social cohesion by ESPA during 2021-2027.



Reskilling / Upskilling funding

Funding opportunities for upskilling and reskilling to support the digital competences of individuals and organizations are available in form of loans, grants and financial instruments by the European Union.



Brain Regain

Addressed to employees who wish to relocate and work back in Greece with a benefit of a 50% income tax break on their annual Greek source salary, or business income over a period of 7 years.



STEM graduates

The Greek education system places significant emphasis on science & technology, leading to a substantial rise in the number of STEM graduates across all education levels. This trend has resulted in the development of a diverse and abundant talent pool.

3. Select Industries of Focus

Real Estate



REAL ESTATE

Overall, the **Greek real estate market** presents a **unique blend** of cultural allure, strategic location, and investment potential that makes it **an attractive option for savvy investors**.

Greece has become **a top choice for real estate investors**, attracting record foreign investment. With diverse offerings from island resorts to urban developments, it emerged **as a prime Mediterranean investment destination**, experiencing widespread growth and investor interest across all property types.

This surge in foreign investment underscores the **increasing trust** and **confidence** in the Greek real estate market, emphasizing its perceived potential for substantial returns.

Anticipated investment activity in Greece's real estate sector, is generating considerable interest in several categories of property:



Greece's allure for **vacation homes**, with coastal and island properties, appeals to both domestic and international investors seeking rental income. Iconic destinations like Santorini and Mykonos are prime choices due to scenic beauty and solid hospitality infrastructure.



Greece's thriving tourism sector prompts investment in **hotels and short-term rentals**, meeting the rising demand for diverse accommodations, from luxury resorts to boutique hotels.



Greece's growing economy boosts demand for **commercial properties** like **offices** and **retail spaces**. Commercial real estate development focuses on modern office spaces and retail outlets, driven by expanding businesses and multinational companies. Prime retail locations attract investors aiming to capitalize on Greece's expanding consumer market and rising tourist spending.



Increased product storage needs due to recent e-commerce boom, resulted in a corresponding increase in **demand** for logistics, particularly for **large high-quality spaces with automation systems**. Record construction pipelines in Greece have added new inventory, though not fast enough to keep up with growing demand, leading to growing rental and capital values and creating an investment momentum for the sector.

Why Greece ... ?



Low prices

Buying property in Greece offers a significant advantage due to its relatively low prices. The current suspension of VAT on property purchases potentially saving up to 24% of the property value, can substantially reduce the overall cost and enhance your return on investment.



Golden Visa program

Investing in Greek property provides the added advantage of eligibility for the Golden Visa Program. This program grants residency to non-EU investors who buy property exceeding €500,000 for high demand areas. Valid for five years with the option of renewal, the program is contingent upon maintaining the property investment.



High returns

Buying property in Greece, offers an opportunity for high returns both in commercial as well as touristic properties; healthy income flow and increasing capital values.

3. Select Industries of Focus

Life Sciences



LIFE SCIENCES

Greece's Life Sciences and Pharmaceuticals industry, with a **skilled workforce**, **increasing focus on R&D** and significant **manufacturing capabilities**, offers significant potential for **growth opportunities** to address both local and international demand. Start-ups and spin-offs are actively participating in global R&D collaborations for competitive, technology-driven solutions.

Within the Pharmaceuticals sector, **the production of generic drugs** has the potential to stimulate growth and increase Gross Value Added (GVA), enhancing the efficiency of the Greek healthcare system and concurrently **fostering exports**. In recent years, the pharmaceutical industry has invested significantly in state-of-the-art R&D facilities, comprising 8% of Greece's total private R&D expenditure.

The future investments in the Greek life sciences sector will center around these three key areas:



The **increased investments in R&D** has led to **the development of new capabilities** within the sector. Coupled with European Union pharmaceutical policies aimed at reducing reliance on imports, this presents an opportunity to **establish new production facilities**. **Considering Greece's current position, investing in Contract Manufacturing (CMO/CDMO)** could be advantageous, including the potential for co-investment with local partners.



Within the broader healthcare/ pharmaceutical domain, a dynamic **ecosystem of innovative new companies** (ranging from startups to scaleups) **offers solutions** that could be of interest to investors seeking scalable opportunities.



Greece presents an appealing prospect for establishing **specialized hubs or centers of excellence**, leveraging its abundant scientific talent pool.

Why Greece ... ?



Potential for generic pharmaceuticals

The Central & Eastern Europe (CEE) market is projected to nearly double in size in the coming years. Greek companies are excellently positioned to capitalize on this growth due to their competitive manufacturing costs, high quality standards and experience in complex manufacturing.



Focus on R&D

Greece boasts well-established research capabilities in life sciences and a robust pharmaceutical manufacturing sector, showcasing extensive expertise and world-class collaborations. Over the last few years, there are efforts in place to enhance penetration on clinical trials to attract foreign investments and increase access to innovative treatments.



Skilled scientific personnel

Greece has a large number of skilled physicians whose expertise is highly sought after in various countries, serving as a notable competitive advantage for any scientific endeavor including the development of Centers of Excellence.

3. Select Industries of Focus

Agriculture



AGRICULTURE

The Greek **agriculture** sector stands as a significant contributor to the nation's economic landscape. Traditionally, it has been one of the **key players in the European export scene** and has progressively extended its reach to international markets.

Greek companies, driven by the **competitive advantages inherent in the country's primary production**, have introduced a diverse range of products to global consumers. From the rich flavor of Greek olive oil to high-quality flour and dairy products, honey and processed meats, these offerings showcase the **industry's commitment to excellence**.

In the upcoming years, the Greek agriculture sector will be mainly driven by various market factors:



Accelerate the adoption of technological innovations by **encouraging the integration of advanced agri-tech solutions** to boost efficiency and sustainability.



Expand export opportunities by promoting the **global distribution of distinctive Greek agricultural products**, increasing market penetration and international demand.



The Greek agricultural sector has seen a **significant shift towards organic farming**, responding to global trends and increasing demand for organic products.



Develop agritourism initiatives by **creating opportunities to blend Greece's rich agricultural heritage with its robust tourism sector**, offering unique experiences that generate additional income for local farmers.



Enhanced financing is vital to seize Greece's agriculture sector's growth potential. **Investing in infrastructure, technology, marketing, and partnerships with local producers** can boost efficiency, competitiveness, and scalability.

Why Greece ... ?



Strategic geographical location

Greece's location at the intersection of Europe, Asia, and Africa makes it a convenient gateway for importing and exporting agricultural products, providing notable logistical benefits.



Cultural heritage & branding

Greek products are often associated with quality and authenticity, which is a strong selling point. Leveraging the "Made in Greece" label can be highly attractive for investors looking to capitalize on well-established market perceptions.



EU membership benefits

As a member of the EU, investments in Greece are backed by supportive agricultural policies, funding opportunities, and subsidies under the Common Agricultural Policy (CAP), reducing investment risk.



Chapter

Investment Incentives

4. Investment Incentives

Tax incentives



Tax Incentives

Greece offers a **range of investment-friendly policies**. The country has a **flat corporate tax rate of 22%**. Greece also offers a range of tax incentives and exemptions for foreign investors, making it an **attractive destination for businesses** looking to expand into new markets.



R&D Tax – Super deduction

According to Article 22A of L.4172/2013, most operating expenses incurred in R&D activities undertaken in Greece qualify for a 200% tax super deduction. Capital expenditure related to R&D (R&D equipment, instruments & software) is subject to a three-year accelerated depreciation equal to 40% per year, which also is eligible for the 200% tax super deduction. If the company cannot utilize the tax benefit in the current year, it may be carried forward for 5 years.



New Hires – Super deduction

Article 71D of tax law 4172/2013, provides for a 150% super deduction of young or long-term unemployed employers' social security contributions for the creation of new full-time jobs.



Patent Box

According to Article 71A of L.4172/2013 as amended by Article 89 of L.4864/2021, the profits from the sales of products that were manufactured using an internationally recognized patent, will be exempt from income tax for 3 consecutive years as from the first income-generating year. The exemption will only apply if there is a link between the sales profits and the R&D costs incurred by the company to develop the patent.



Green Economy & Digital Transformation of SMEs – Super deduction

According to Article 22E of L.4172/2013, costs related to the green economy, energy and digital transformation are deducted from the gross income of SMEs, excluding those active in the primary agricultural and fishing sectors, at the time of their implementation, increased by 100%. This also applies to the depreciation expense of the assets of SMEs that are acquired for the purpose of strengthening the green economy, energy and digitization.



Energy Efficiency & Water Saving – Super depreciation

CAPEX tax incentives for sustainability investments, energy efficiency and water saving: According to the 1st case of par.10 of Article 24 of Law 4172/2013, assets related to energy efficiency, water saving, or investments characterized as contributing substantially to climate change mitigation can be super-depreciated by 100%.

4. Investment Incentives

Legal entities establishment



Legal Entities Establishment

The following enumeration presents the primary legal structures of entities in Greece, ordered according to the priority expressed by foreign investors.



SOCIÉTÉ ANONYMES (S.A.)

Greek large businesses usually operate as a S.A., the shareholders of which have limited liability up to the amount of their contribution. S.A. may accommodate all sizes of businesses and can be either private or public. The minimum share capital for a S.A. is €25,000. The main tax advantage offered to a S.A. compared to other corporate forms is that it can issue bonds. Bond loans issued by a S.A. are exempt from stamp duty, otherwise levied at 2.4% both on the principal amount and on interest payments as well as from a special levy provided in Law 128/1975 (in case the bondholder is a credit institution). As a final remark, it should be noted that bonds issued by Greek S.A.s do not need to be listed and they can be held by a single bondholder.



LIMITED LIABILITY COMPANIES (E.P.E.)

E.P.E. have a minimum share capital of €1 for which the partners have limited liability up to their capital contribution. The capital of the company is determined by its partners without restrictions and may consist of cash payments or payments in kind. E.P.E. may be formed by one or more natural persons and/or legal entities, but a natural person or legal entity, may not be a single-partner of more than one E.P.E. However, the legal form of E.P.E. constitutes a rather inflexible and anachronistic legal form because it requires a notarial deed for many corporate acts, including the sale of shares, which is time-consuming and costly.



PRIVATE COMPANIES (I.K.E.)

Private Companies (I.K.E.) are the newest corporate form and are becoming popular due to their significant flexibility. I.K.E. have no minimum share capital requirement and can be also established through non-capital and/or guarantee contributions. Further and similar to E.P.E., an I.K.E. is eligible for election for US check-the-box purposes. It is of paramount importance that no notarial deed is required for many corporate acts such as the transfer of its shares or its incorporation / AoAs* etc.

*AoA = Articles of Association



GENERAL & LIMITED PARTNERSHIPS (O.E. & E.E.)

The general and limited partnerships are mostly used for small, family businesses (with revenues of less than €1.5 million) due to the fact that their general partners have unlimited liability (even for their personal heritage) whilst the liability of their limited partners is capped to the amount of their contribution to the share capital of the legal person. The tax advantage of using a partnership in Greece is that taxation is levied only at the partnership level (under certain conditions) and any dividends distributed to the partners are not subject to personal income tax.

Good to know that ...

All the above legal forms can now be incorporated online through the one stop shop (e-MYS) and based on a model template of AoAs.

4. Investment Incentives

EU Funding tools & frameworks

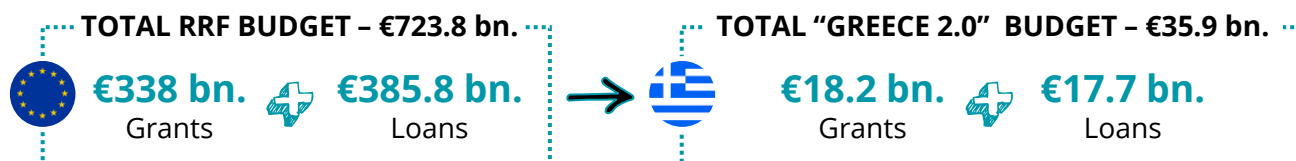


Recovery & Resilience Facility (RRF)

The Recovery & Resilience Facility aims to **mitigate the economic and social impact of COVID-19** and make **European economies and societies more sustainable, resilient and better prepared** for the challenges and opportunities of the green and digital transitions.

TOTAL BUDGET

€35.9 bn.
2021 – 2026



GRANTS - PILLARS

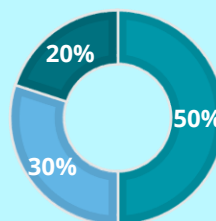
- 1 Green Transition
- 2 Digital Transformation
- 3 Employment, Skills & Social Cohesion
- 4 Private Investment & Transformation of the Economy

LOANS - PILLARS

- Green Transition
- Digital Transformation
- Exports - Extroversion
- Innovation - Research & Development
- Economies of scale through Mergers, Acquisitions & Partnerships

Details for the Lending procedure ...

The financing structure allows for up to **50% of the project budget to be covered by an RRF Loan**, contingent on meeting specific criteria for each pillar. The remaining portion of the budget comprises a minimum of **30% from conventional Bank Loans** and a minimum of **20% from private equity**.



■ RRF Loan ■ Bank Loan ■ Private Equity

The **minimum interest rate** is established at **0.35% for small enterprises** and **1% for medium and large enterprises**.

Partnership Agreement (PA)

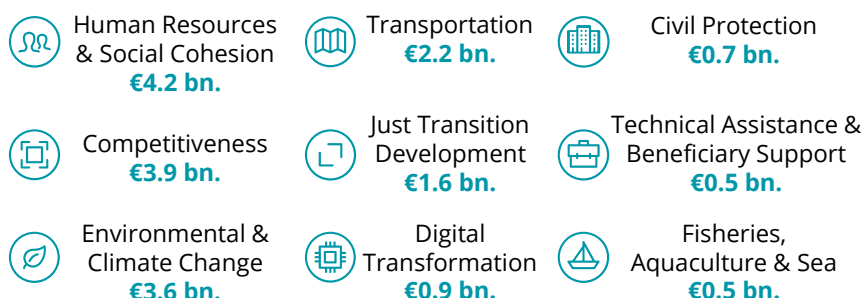
The **Partnership Agreement for the Development Framework (PA) 2021 – 2027** serves as **the primary strategic blueprint for fostering growth in Greece**, leveraging substantial resources from a diverse array of EU Funds.

TOTAL BUDGET

€26.2 bn.
2021 – 2027

The 2021-2027 PA comprises of **9 Sectoral** and **13 Regional** Programs:

- The Sectoral Programs pertain to one or more sectors, with nationwide geographical scope.
- The 13 Regional Operational Programs (ROPs), one for each Greek Region, contain actions of regional scope.



Source: European Commission

4. Investment Incentives

EU Funding tools & frameworks






Just Transition Fund (JTF)

Greece will mobilize a total investment of **€1.63 billion** to alleviate the impact of the energy and climate transition on the local economy and society. The Greek plan will benefit from **grants** amounting to **€1.38 billion**.

TOTAL EU BUDGET

€55 bn.
2021 – 2027

-  Foster the diversification and modernization of the economy, including the creation of new jobs and the upskilling and reskilling of people affected by the transition.
-  Over half of the funds will support entrepreneurship through the financing of existing and new enterprises, of business infrastructure, and of stronger links between companies and research & innovation.
-  Strengthen human resources and the skills of the workforce in the affected areas (skilling-upskilling-reskilling) and promote employment.

Strategic Investments

Strategic investments are investments which, due to their **strategic importance for the national or local economy**, can bring **quantitative and qualitative effects** of significant intensity for the **increase of employment, the reconstruction of production**, while **highlighting the natural and cultural environment** in accordance with the principles of socially fair and **sustainable development**.

Enterprise Greece











The Greek state's official investment and trade promotion agency, serves as a gateway to opportunities in Greece by implementing actions to attract and support investments.

Development Law

The purpose, is to promote the **digital and technological transformation** of companies, the **green transition**, the **creation of economies of scale**, the support of **innovative investments**, and the introduction of new technologies of "**Industry 4.0**", **robotics** and **artificial intelligence**. Investments in **tourism** and **agri-food** sector are reinforced and also special provisions are included to strengthen the regions of the Just Transition Plan.

ANNUAL BUDGET

€150 mn.
per scheme

-  New Entrepreneurship
-  Just Transition Plan
-  Agri-food - primary production and processing of agricultural products - fisheries
-  Processing – Supply chain
-  Enhancement of tourism investments
-  Alternative forms of tourism
-  Business extroversion
-  Major investments, providing specific treatment for investment projects that significantly affect local economies
-  European value chains (EVCs)
-  Entrepreneurship 360°

Source: European Commission

Greece within the Global Competitive Landscape

According to the **IMD World Competitiveness Center's** annual report, **Greece achieved a commendable ranking** among the surveyed nations. The 2023 Competitiveness Yearbook evaluates the performance of **64 countries** across **336 criteria**, assessing various aspects of competitiveness.



RANKING HIGHLIGHTS IN MAJOR COMPETITIVENESS PILLARS



TECHNOLOGY

3rd

Investment in telecoms
Capital

6th

Starting a business
Regulatory framework

16th

IT & media stock market capitalization
Capital



KNOWLEDGE & TALENT

12th

Technical employment
Scientific concentration

17th

Language skills
Readiness

18th

Graduates in sciences
Training & education

KEY ATTRACTIVENESS INDICATORS



71.9%

High educational level



70.3%

Skilled workforce



67.2%

Dynamism of the economy



53.1%

Cost competitiveness

TOP 6 COMPETITIVENESS CRITERIA



Tourism receipts



Labor force – long-term growth



Government budget surplus (%)



Resilience of the economy



Trade to GDP ratio



Exports of commercial services

Note: the criteria above highlight the 6 largest year-on-year (2022-2023) improvements in the overall performance of the economy

Source: International Institute for Management Development (IMD)

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