

Greece in the Spotlight

Growth Strategy: Investment Opportunities in Greece

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Transforming the Economy | Emblematic Investments | FDI a priority | Key Investment Sectors



Transforming the economy

 **ENTERPRISE GREECE**
INVEST & TRADE

New National Development Strategy

The new paradigm for the economy will be underpinned by:

- **structural competitiveness,**
- **social justice and**
- **protection of the environment and the natural resources**

Fair Growth is a strategic choice, through

- **highly skilled workforce**
- **new productive investments**
- **innovation**

producing internationally tradable products and participating in **global value chains**

Government Policies (1)

to improve Business Climate and accelerate growth and investments

- **New investment Law** to support new investment plans offering alternative aid schemes and varying aid percentages (location, company size)
- **New Financing Instruments:** EquiFund, Entrepreneurship Fund II, Infrastructure Fund, Residential energy efficiency program, TANEQ, Business Restructuring Fund, MicroLoans Fund
- **Cooperation** with international financial institutions to increase liquidity and ease investment financing (EIB, EIF, EBRD, IFC, Black Sea Trade & Development Bank etc)
- **Absorption** of the Structural available funds for the period 2014-2020 (**€36bn** earmarked for the next period 2021-2027)
- **New Development Bank** to support SMEs through microcredit, guarantees, loans, infrastructure, innovation

Government Policies (2)

to improve Business Climate and accelerate growth and investments

- **Electronic Company Establishment e-OSS (One-Stop-Shop)** new swift process introduced, simple 3-step company establishment through an e-platform
- **Improved business Licensing** in cooperation with the World Bank
- **Establishment of intra-group service Centers in Greece** providing business support services to their head-offices or affiliates abroad, as well as in Greece
- **NPLs** framework in place & **Privatisation Agenda** acceleration

Enterprise Greece Business Services

- **Fast Track Law**, a strategic investments accelerated licensing procedure, 13 projects approved (budget of €3.5bn) & 10 in the pipeline (budget of €3.8bn)
- The **Investor's Ombudsman** mediation service for investment projects during the licensing procedure experiencing bureaucratic delays



Foreign Direct Investment as a key priority

 **ENTERPRISE GREECE**
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Selected Deals 2011-2018





Emblematic Investments Underway

 **ENTERPRISE GREECE**
INVEST & TRADE

Shah Deniz Consortium selects TAP as European export pipeline



- 550 Km of pipeline in Greece
- 80.7% completed

TAP will transport natural gas from the giant Shah Deniz II field in Azerbaijan, via **Greece** and Albania, and across the Adriatic Sea to Southern Italy, and further to Western Europe.

Philip Morris new investment

Philip Morris International new €300 million
euro investment in Greece



PHILIP MORRIS
INTERNATIONAL

The project:

- 3 new buildings at Papastratos' facility in Aspropyrgos, Athens
- Construction of new lines of tobacco processing and production of refills for innovative IQOS product
- Creation of 400 new jobs

Production upgrading:

- 20 billion refills a year, absorbing a significant amount of Greek tobacco production
- Products will be exported to more than **30 countries**



TESLA research and development centre

- **TESLA Motors is extending its reach to Athens, by opening an engineering facility called Tesla Greece**
- **The Greek office is expected to attract at least 50 engineers to run a research and development centre out of the state-run Demokritos Centre for Scientific Research**
- **The centre is expected to act as a base for southeast Europe.**



CVC: healthcare acquisitions & investments



Perseus Healthcare SA -owner of **Metropolitan Hospital**- sold a **majority equity stake** to Hellenic Healthcare Sarl, an investment vehicle controlled by **CVC Capital Partners**.



Iaso SA, a Greek-listed clinic sold a **97.2 pct equity stake** in its subsidiary Iaso General to Hellenic Healthcare Sarl (a **CVC CAPITAL PARTNERS** affiliated company), based in Luxembourg.



MARFIN INVESTMENT GROUP HOLDINGS S.A.” (MIG) has sold its majority stake in **HYGEIA** hospital amounting to 215,189,466 shares, corresponding to 70.38 pct of HYGEIA’s share capital, to Hellenic Healthcare Sarl (a **CVC CAPITAL PARTNERS** affiliated company) . Furthermore, MIG will have an option to acquire up to 10 pct in “HELLENIC HEALTHCARE S.A R.L.”.



Amerra: aquaculture investments

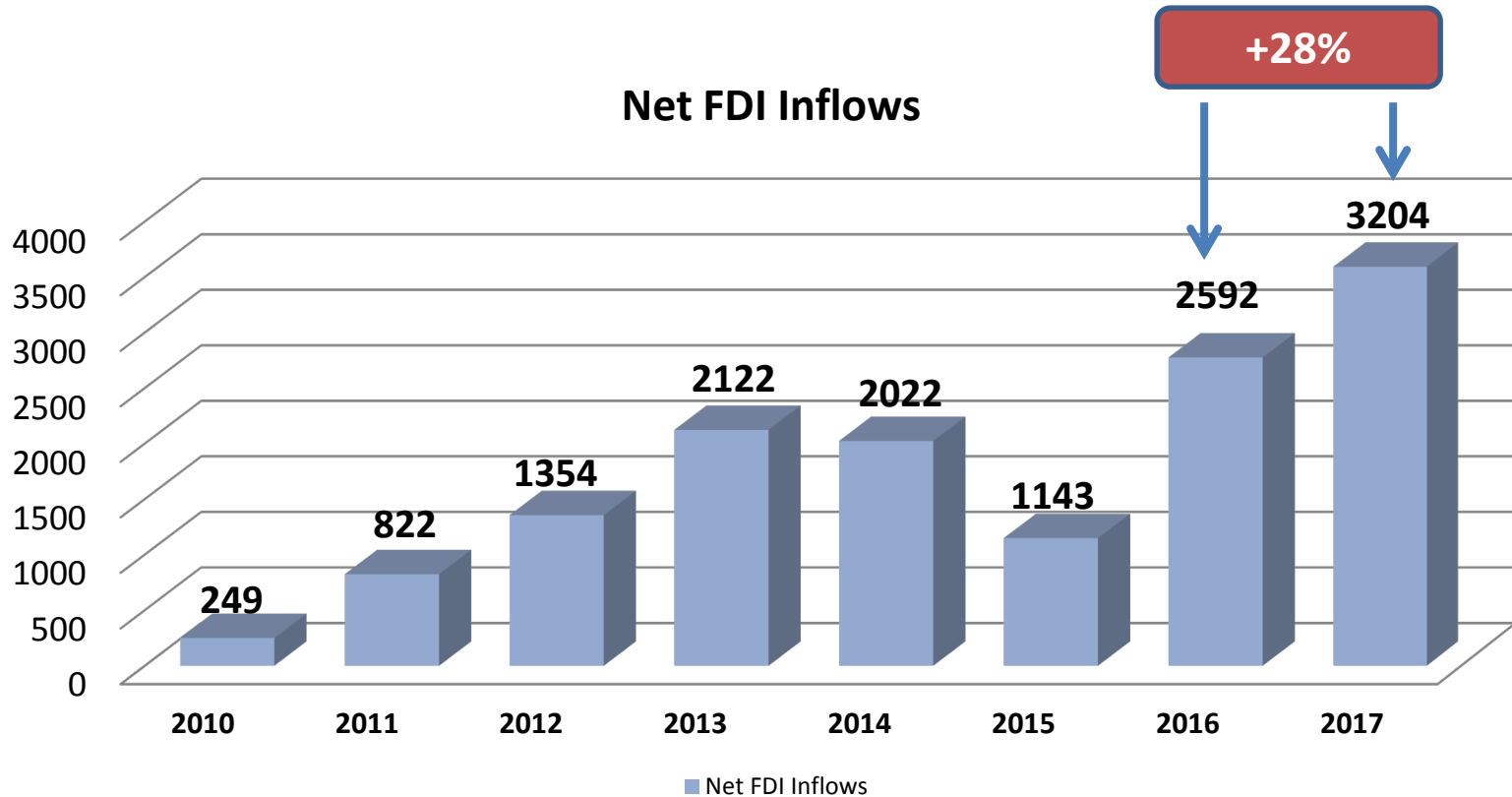
AMERRA

Amerra Capital Management, owner of Andromeda Group, has purchased the other two rival aquaculture companies, **Nireus** and **Selonda** by acquiring 74.98 and 79.61 percent of their share capital, respectively



FDI inflows 2010-2018

In million Euro



Net Foreign Direct Investment inflows show an annual (year-on-year) increase of **127%** between **2015-16**, and **28%** between **2016-17**.

FDI inflows between **January-September 2018** reached **€2.759 million**, showing an **10.2%** increase compared to the same period in **2017**, when inflows stood at **€ 2.503 million**.

The background features a light blue gradient with several overlapping, semi-transparent blue geometric shapes. These shapes are interconnected by a network of thin white lines and small dark blue dots, creating a complex, web-like pattern. The overall aesthetic is modern and technological.

FDI
is welcome!



Investment Opportunities

Key Sectors

 **ENTERPRISE GREECE**
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Attractive Investment Opportunities



TOURISM – REAL ESTATE



AGRI – FOOD



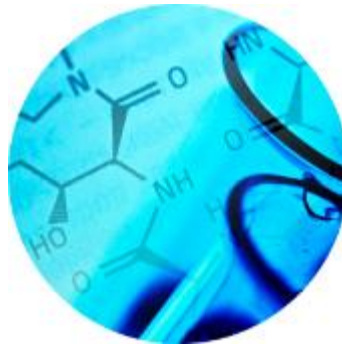
ENERGY – CLEAN TECH



LOGISTICS



ICT



LIFE SCIENCES



**CULTURAL & CREATIVE
INDUSTRIES**



PRIVATIZATIONS

ICT, a snapshot

- **Top talent at a highly competitive cost.** Greece is listed as a **stage 3 economy** (innovation driven), together with 36 developed economies in the world.
- **R&D expenditure** as a % of GDP increased from **0,58% (2007) to 1,14% (2017)**
- **Technology exports** have increased from **7,4% (2008) to 11,4% (2016)**, as a % of **industrial exports**
- **National and EU funds** available for cooperation and development of joint projects
- Brand new Greek **start-ups** ecosystem
- **Greece** has become the center of several **new investment initiatives** announced by some of the **largest companies in the global ICT industry** such as **NSN, Microsoft, HTC, Samsung and SAP**, exploring investment opportunities in...

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

ICT

Investment opportunities

- **Infrastructure Upgrade– Establish new destinations**
- **Data Centers**
- **Call Centers/ service centers staffed by English-speaking staff**
- **Mobile Marketing & advertising**
- **Software development**
- **Information Security Services**
- **Assembly and distribution of ICT devices**
- **B2B cloud services**
- **Information security services**
- **Innovation and research activities**

Agribusiness, a snapshot

F&B: The most dynamic Greek industry sector

Annual Turnover:
25.2 %
of Manufacturing
Activity

Employment:
33.6 %
of Manufacturing
Activity

Production Value:
24.3 %
of Manufacturing
Activity

Gross Value Added:
24.6 %
of Manufacturing
Activity

**Number of
Companies:**
26.4 %
of Manufacturing
Activity

Exports:
€5.5 billion / 19.5%
of total exports
(2017)



Sources: IOBE , Facts & Figures 2017/ Panhellenic Exporters' Association

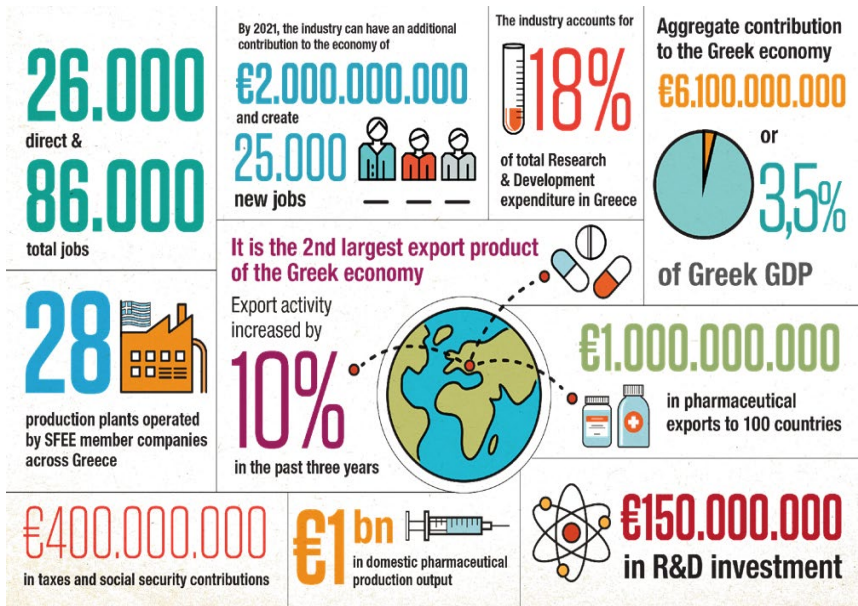
Agribusiness

Investment opportunities

- **Development of new** livestock farms for cattle, goats, pigs and poultry.
- **Development of new** crop cultivations in vacant agricultural land.
- **Repositioning and consolidation** of agricultural production using new technologies (hydroponics, greenhouses etc.) and high-value crops.
- **Participation in the growth** and consolidation of smaller, organic producers with strong export potential.
- **Investment in the packaging**, export and marketing of traditional staples of Greek diet such as olive oil, wine and herbs.
- **Development of joint venture** activities with domestic agricultural producers through contract farming.
- **Invest in highly recognised** products under the strict and favourable PDO/PGI framework.
- **Opportunity to create** strategic investment partnerships with local well-known firms and invest in concrete business plans from the portfolio of Enterprise Greece.



Life sciences- Pharma, a snapshot



- Almost **6 doctors per 1,000 population**, Greece ranks 1st in OECD
- **Regional Hub for Clinical Trials:** Greece has established itself as a regional hub for clinical trials
- The **educational background** of the executives is very high (71% hold an MBA and 14% hold a PhD). Also, 64% of the workers in the industry are university degree holders.
- **Strong Business base:** More than **100 producers and importers** (almost 70% of the companies are foreign multinationals)
- **R&D and Development know-how** –The share of **patents** filed in the pharmaceutical sector in 2016 was 21.4% much higher than the corresponding figure in Europe (3.1%)

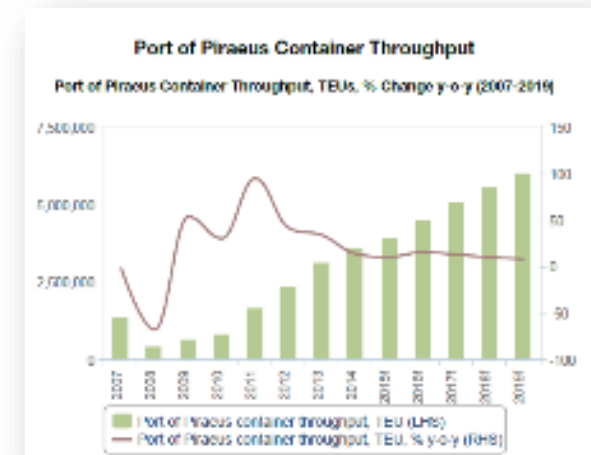
Life Sciences- Pharma

Investment opportunities

- **Exports:** the Greek pharmaceutical sector has been significantly extrovert, emerging markets in South Eastern Europe, Eastern Europe and the Commonwealth of Independent States are likely to rise, driven by cost-effective domestic production and ready access to new EU member states
- **Manufacturing of Generics - R&D centers:** significant market growth both in Greece and internationally, sizeable established industry, successful exporting activities of domestic players
- **Medical tourism:** outpatient segment (e.g. dental care, certain cosmetic procedures, selected eye surgery) and inpatient segment (e.g. cardiovascular interventions, orthopedic procedures). High number of specialized doctors, Lower cost for medical services compared to high-end destinations, Good offering of supporting tourism infrastructure
- **Long term and elderly care:** Focus on pensioners of Northern European countries plus fast ageing of Greek population; 32% expected to share 65+ population in 2050 in Greece compared to 19% in 2010
- **Clinical Trials Hub**
- **E-health** tools and services

Logistics -Transport, a snapshot

- Greece stands on the **crossroad of three continents, a strategic node** in the greater region.
- **Logistics sector in Greece accounts for almost 10% of Greece's GDP**
- Piraeus ranks 6th between the top 50 Ports, ranked by 5-Year Increase Ratio 2012&2016 (data from International Association of Ports and Harbors,) and a significant node in the new **Maritime Silk Road from China to Europe.**

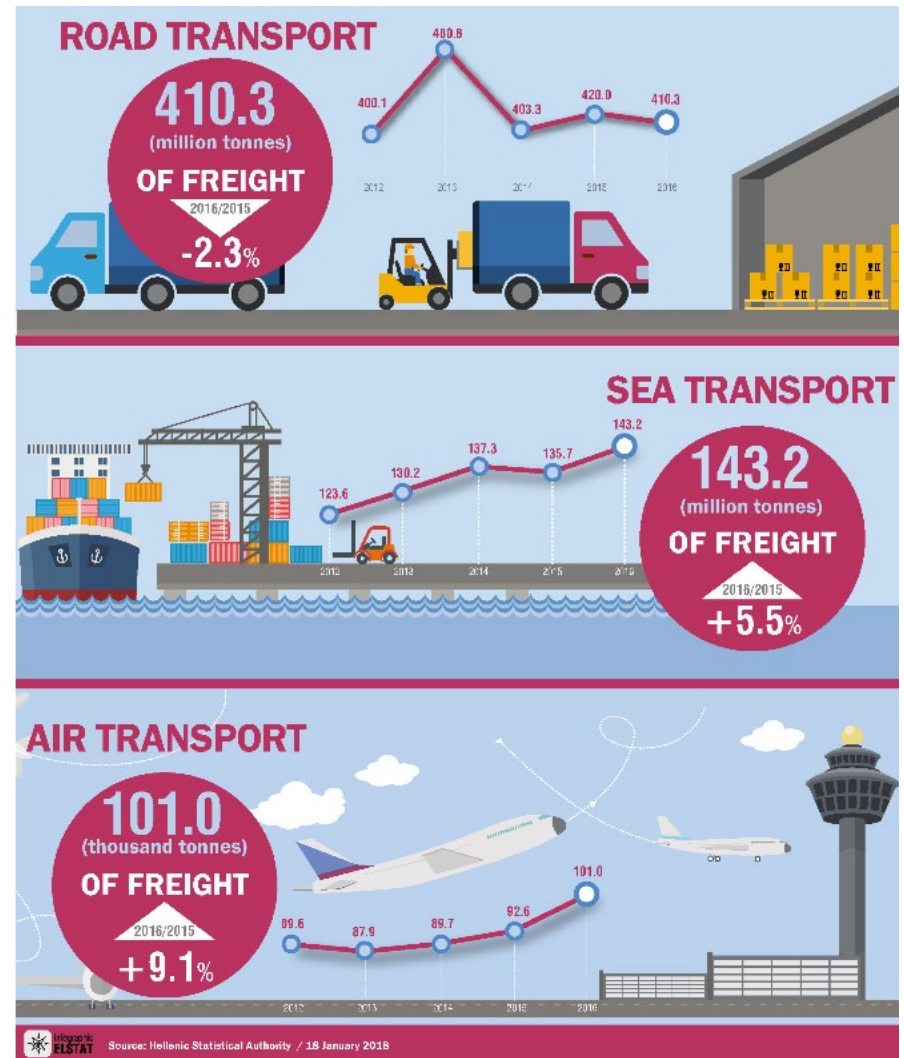


- **Privatisation of Piraeus port** concluded successfully in 2016, with Chinese COSCO gaining a multimillion tender and their ongoing investment plan in Piraeus Port (COSCO) with a value of **€300 mn, till 2021**
- **Privatisation of 14 Regional airports** concluded successfully in late 2015, with German Fraport signing an **1,2 bn € deal**
- TERNA-GMR(India) consortium won the **€480mn tender** for the New Airport at Kasteli
- Agreements between Greek and foreign countries' Certification Organizations provide new opportunities for middle products manufacturing and forwarding services
- New energy projects provide new business development opportunities for logistics companies

Logistics -Transport

Investment opportunities

- Privatisation of **10 Ports, 7 Marinas** and the **Egnatia Motorway** through HRADF
- **80 infrastructure projects** in the pipeline for completion by 2023, totaling **€15+bn**
- **Piraeus, Thriassio Mega Logistics Center, the Goldair-ETVA consortium**, will deploy Phase A of their **€180 mn** investment plan within 2019
- **Thessaloniki, Str. Gonou Logistics Center**, tendered within 2018
- **Alexandroupolis Logistics Center**, to be tendered by 2010
- **Kavala, Larissa, Volos, Igoumenitsa Logistics Centers Tenders** (Rolling ahead)





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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The Chief of the American Economic Mission to Greece (Porter) to the Under Secretary of State for Economic Affairs (Clayton)

You may be interested in knowing that approximately 1% of the national income, less than \$8 million, is collected by the Government in direct income taxes. While revenues from this source would not be considerable in any event, and the Government claims that it has no machinery for their collection, there is no doubt in my mind that failure to require the majority of wealthy Athenians, merchants and businessmen, to bear their proportionate share of the cost of government creates a most fertile field for fomentation by the extreme left.

<https://history.state.gov/historicaldocuments/frus1947v05/d15>