

# Europe's next investment hotspot?

Greece's orthodox reforms and enormous sacrifices have paid off: the economy is back to growth, exports and investments are on the rise and the bailout program is now a thing of the past.

# GREECE



Publication distributed  
with FOREIGN POLICY  
- Spring 2020



Prisma Reports wishes to thank its esteemed partners for their contribution to this project:



# Greece in numbers

A strategically important location at the southernmost tip of Europe makes Greece a gateway to the rest of the continent, as well as Africa and Asia.



**Population:**  
11.1 million



**GDP per capita:**  
\$30,369



**Largest cities**  
Athens, Thessaloniki, Patras



**EU membership**  
Since 1981

## Contents

- A new beginning** 3  
Business-friendly reforms bring record levels of foreign investment.
- A pillar of stability** 6  
Strong relations between the U.S. and Greece open economic opportunities.
- Advancing infrastructure** 9  
Greece looks to the private sector to solve an urgent need for infrastructure.
- Privatization agenda** 12  
Successful privatizations attract attention to a rich portfolio of public assets.
- Energy: transition ahead** 14  
Greece is turning on the power in natural gas and renewables.
- Shipping** 16  
The marine industry continues to be the economy's most extrovert sector.
- Digitalization** 17  
Crisis bought success for innovators but Greece lags behind in digitalization.
- High-tech firms take off** 20  
State-of-the-art manufacturers boost the space and defense industries.
- Reversing the brain drain** 21  
The public and private sector introduce initiatives to bring young talent home.
- A year-round destination** 22  
Every Greek region offers its own unique and unforgettable experiences.
- Banking recovery** 29  
Greece's banks are shedding their non-performing loans.
- Food industry soars** 30  
Food producers are putting quality before quantity.

Published by  
**Prisma Reports**

Marie Leclercq Project Director  
Silvia Arteché Coordinator



20 Victoria Street,  
London SW1H 0NF, United Kingdom  
Tel: +44 (0) 20 7692 0869  
info@prisma-reports.com  
www.prisma-reports.com

## GREECE EUROPE'S NEXT INVESTMENT HOTSPOT?



# A remarkable economic recovery

After a decade of economic torment, acid reforms and mounting sacrifices that cost the country half a million brains, Greece seems to have finally got back on its feet.

According to the European Commission (EC), Greece's economy should grow by 2.4% in 2020 — a figure considerably higher than the 1.4% predicted for the European Union (EU) as a whole. After having lost over a quarter of its gross domestic product (GDP), the bloc's southernmost nation is now "well on track," estimated European Commissioner for Economy Paolo Gentiloni when announcing the findings.

This projection demonstrates a remarkable turnaround for a country that just few years ago was floundering through one of the harshest economic recessions in history. Tribute must be paid to the Greek people who endured an array of unpopular reforms and deep austerity measures, including salary and pension cuts, in order to extricate their country from financial turmoil.

"I don't think that the world fully appreciates the extraordinary pain the Greek reforms have involved or the tremendous sacrifices that you, the Greek people, have made," stated Barack Obama in a speech he made in 2016 while

visiting Athens on his last overseas trip as president.

The first tangible signs of progress came the following year, when Greece's GDP growth turned positive. This trajectory has continued since and the EC estimates its economy grew by 2.2% in 2019.

In 2018, Greece successfully exited its third and final bailout program, after having been forced to demand an astronomical €289 billion in financial assistance from the EU, European Central Bank

**"I don't think that the world fully appreciates the extraordinary pain the Greek reforms have involved or the tremendous sacrifices that you, the Greek people, have made."**

Barack Obama, Former President of the U.S.

and International Monetary Fund, known as the troika. This marked the beginning of a return to financial normalcy.

This virtuous trend continued in 2019, when capital controls were lifted and market confidence started rising, with the country's 10-year bond yield plummeting to 0.9% in February, in comparison to

1.59% for the equivalent U.S. bond at that point.

Consumer confidence has also returned, helped by the unemployment rate dropping from 27.8% to 16.6%. Impatient for further changes to fully embrace a new economic era, last July the population elected a government led by Prime Minister Kyriakos Mitsotakis to implement widespread reforms that are bringing rewards for society, businesses and investors. "We have lowered taxes, we are deregulating, we are following a recipe that has also worked here in the U.S. and the economy is reacting very positively," Mitsotakis confessed to President Donald Trump in Washington this January.

The country still faces a huge debt and numerous challenges. Whether the investor-friendly administration will overcome those remains to be seen. And as U.S. Ambassador to Greece Geoffrey Pyatt stresses, the challenge is also for others "to recognize the opportunities arising from Greece's new trajectory."

## A new beginning

Prime Minister Kyriakos Mitsotakis has taken the bull by the horns and embraced reforms that are driving Greece toward a confident and optimistic future.

Since July 2019, when Greece elected a new business-focused government, the country has begun an economic transformation process that has already taken it from being the “black sheep of Europe,” as Prime Minister Kyriakos Mitsotakis puts it, to having the world’s best-performing stock market.

“We have ushered in a new period of growth and effective structural reforms,” Mitsotakis informed International Monetary Fund (IMF) Managing Director Kristalina Georgieva in Washington earlier this year. At that meeting, Georgieva confirmed that the IMF is closing its Athens office after tight supervision of the previous, left-wing government’s economic management.

This demonstrates the growing international confidence in the administration of Mitsotakis, a man who earned master’s degrees from both Stanford University and Har-



**Kyriakos Mitsotakis**  
Prime Minister

vard Business School, and worked for companies like Chase Investment Bank and McKinsey & Company, before entering politics.

With his New Democracy party winning a clear majority, Mitsotakis’s government wasted no time in starting to implement his ambitious strategy that is delivering rad-



The New Democracy government has a clear majority in the Greek parliament

**“We have ushered in a new period of growth and effective structural reforms.”**

Kyriakos Mitsotakis, Prime Minister

ical change: reforms that will bring growth and jobs, private-sector investments, tax and spending cuts, and a robust banking system free of non-performing loans.

So far, corporation tax has dropped from 28% to 24%, dividend tax from 10% to 5% and property tax has been reduced by 22%. The government has also lifted all capital controls, introduced a wide-ranging investment law to decrease red tape and established a National Transparency Authority to help prevent corruption.

In addition, the administration has kick-started the country’s privatization program and unblocked large investment projects including Europe’s biggest urban redevelopment scheme, the €8-billion Hellinikon project in Athens. While speaking at an event in January that was organized by influential Washington-based think-tank the Atlantic Council, Mitsotakis declared: “For 2020, we will continue with this aggressive reform agenda,” adding that Greece was now “open for business.”

## A strong pro-business agenda

Adonis Georgiadis, Minister of Development and Investments, introduces his government’s plans to solve problems for investors rather than create them.

**PR** You have said you want Greece to be “a totally new country for business.” What does this mean?

**AG** We have a unique opportunity. Prime Minister Mitsotakis has led our party to win all recent elections: from the municipal to the European. Because of that, for the next four years we have the most stable political system in the European Union (EU). Mitsotakis was elected because he made very clear that he wanted a mandate to speed up the privatization program, cut red tape, lower taxes and decrease the size of the state in order to make available the funds to cut taxes.

We now have a clear mandate to transform our country into the EU’s most business-friendly economy. Stakeholders doing business in Greece already



**Adonis Georgiadis**  
Minister of Development and Investments

feel the difference from the reforms we have made so far. We want Greece to be a country where businessmen interest-

ed in investing are able to do so, with the assurance of a trouble-free business environment.

A country where it is easy to set up a company and, at the same time, easy to close down if deemed necessary. A country where bureaucrats are there not to create problems but to help solve them. In short, our vision is to make life easy for investors.

**“We now have a clear mandate to transform our country into the European Union’s most business-friendly economy.”**

Adonis Georgiadis, Minister of Development and Investments

**PR** Could you highlight some of the interesting opportunities in Greece’s privatization program?

**AG** We have big tenders for ports that could be interesting for U.S. investors. Logistics, tourism and the privatization of state assets including shipyards are other opportunities. We have tenders underway in energy and more will be launched soon, particularly in oil and gas exploration and renewable energy.

**PR** When it comes to attracting foreign direct investment, what can Greece offer that its competitors can’t?

**AG** Firstly, Greece is now a very stable country. Because our economy was depressed for almost a decade, investors will find attractive prices for property and other assets and great potential for substantial profit.

We also have a highly educated workforce, Greece is in the eurozone and, with the help of our new legislation and incentives, it is becoming very business friendly.

We are not going to reinvent the wheel, we are going to follow best practices that have been successful in other countries. We mean business. We will deliver. This is the right time to come and invest in Greece.

## Catapulting investment into the economy

Having transformed into an outward-looking export-driven economy, Greece is now seeing record levels of foreign direct investment.

In 2018, inward foreign direct investment (FDI) represented about 2% of Greece’s GDP. However, to ensure the newly resurgent economy keeps growing sustainably, “Greece needs to increase the ratio of FDI inflows to 10-15% of GDP in the medium term,” according to Georgios Filiopoulos, CEO of the state’s investment and export promotion agency, Enterprise Greece.

“Facilitating investment is top priority. Enterprise Greece is redoubling its efforts and taking an increasingly active role in coordinating the strategy for attracting and supporting investors, exporters and business partners,” he says. Those efforts are paying off, with the country drawing in a record amount of FDI in 2019.

“Greece is garnering investors’ attention because it has successfully entered a new era and offers many advantages, such as high-caliber human resources, excellent physical and digital infrastructure, an unbeatable location at the crossroads between three continents, a peerless tourism brand, a profusion of high-quality products and a vigorous startup ecosystem, as well as it being a beautiful place to live and work,” notes Filiopoulos.

Sectors with high potential include tourism, which needs about €5 billion in investment over the



**Georgios Filiopoulos**  
CEO, Enterprise Greece

next five years to keep up with demand. “Our food and beverage sector is also transforming, with exports growing at double-digit rates,” he says.

Riccardo Lambiris, CEO of the Hellenic Republic Asset Development Fund, highlights numerous projects opening up in infrastructure as Greece builds a significant role as a regional transport, logistics and energy hub. “Greece is now also an important center for life sciences, pharmaceuticals, research and development, and, by the end of 2020, the high-tech industry could make up roughly 10% of our economy. Overall, there are many opportunities for savvy investors,” adds Filiopoulos.

### 7 reasons to invest in Greece

- Improved economic outlook
- Excellent living and working environment
- Educated, skilled and motivated workforce
- Political stability
- Quality logistics and communication infrastructure
- Privileged and strategic geographical location
- Easy access to the Balkans and EU markets



Dromeas or the Runner Man sculpture on Vassilissis Sofias Avenue, Athens

## Greek bonds at historic lows

From government bonds to wide-ranging privatizations, international interest is growing in Greece’s assets.

Greece saw record demand for its first long-term government bond issuance in over 10 years in January. The €2.5-billion, 15-year offering attracted orders for €18.8 billion and will provide a return of 1.875%. It comes on the back of three successful bond issues in 2019 and a huge decrease in borrowing costs, with 10-year yields dropping from 3.89% to 1.14%.

“This historic low is evidence of a significant shift in momentum and investors are now looking at a wider spectrum of Greek assets,” says Riccardo Lambiris, CEO of the Hellenic Republic Asset Development Fund (HRADF). For Enterprise Greece’s CEO Georgios Filiopoulos, Greece’s low asset prices mean Greece’s stepped-up privatization program, is attracting interest.

The implementation of this wide-ranging privatization program rests with HRADF. By the end of 2019, the fund had overseen privatizations worth about €9 billion. “The impact has been huge,” Lambiris states. As examples, he cites Fraport’s €1.23-billion investment in regional airports, which has transformed those facilities and, Piraeus Port, whose profitability and rankings have improved since its shares were sold to Cosco. Such successes increase acceptance in the program from citizens, he explains, but HRADF also works hard to get all stakeholders on board before a



**Riccardo Lambiris**  
CEO, Hellenic Republic Asset Development Fund

project starts. In addition, the fund facilitates investments by following clear and transparent processes quickly.

Unlike other European countries, the Greek state still owns a rich portfolio of assets and expects to raise €2.4 billion in 2020 alone. Upcoming privatizations include the Public Gas Corporation, which Lambiris says will be a landmark in the domestic energy sector: “Regional ports also offer tremendous potential, we are working on concessions for marinas and have very big land plots for casinos, sport facilities and tourism infrastructure,” he adds. “With HRADF’s valuable experience in satisfying investors,” he is confident that these and many other privatizations will be successful.

# U.S. views Greece as a stable regional pillar

Fresh off the back of a recently renewed mutual defense agreement, U.S.-Greek relations have never been better.

Greece and the U.S. are currently enjoying excellent economic, trade and diplomatic relations, having renewed their mutual defense agreement in October 2019. Nikolaos Bakatselos, president of the American-Hellenic Chamber of Commerce, comments: "There has never been another point in time when U.S. relations with Greece have been so strong. Our trade relations are at their highest in years and yet there is still a lot of room for us to grow, not only in terms of trade but also investment. From both sides of the Atlantic, there is a strong interest in all fields and industries; in terms of investment from the U.S. into Greece and also from Greek companies wanting to invest in the U.S."



**Geoffrey Pyatt**  
U.S. Ambassador to Greece

saying, "Greece and its recovery are a huge success."

For U.S. Ambassador to Greece Geoffrey Pyatt, "The defense relationship has been one of the real bright spots of our bilateral cooperation over the past few years. We have made significant progress in terms of the relationships between our armed forces at new sites like Stefanovikeio in Central Greece and Alexandroupolis in North Eastern Greece."

Alexandroupolis symbolizes the new Greek-American commercial and military relationship. Under the new military accord, the U.S. and Greece can expand military cooperation at Alexandroupolis. Plans are also being drawn to use Alexandroupolis as



The philanthropic Stavros Niarchos Foundation in Athens is a landmark

a gateway for supplying more U.S. liquefied natural gas to Southeastern Europe via a pipeline network that is expanding through Greece and across the region.

"Greece is becoming the energy hub of Southeastern Europe," remarks Bakatselos. "There is an agreement between Greece, Cyprus and Israel for a new gas pipeline, and a lot of interest from U.S. companies. Greece's geo-strategic position could make it the foun-

holds a lot of untapped potential. "Because of the crisis, there is a large number of unfinished development projects around the country, so we could well see a lot of activity to come," explains Pyatt. Greece, he believes, "punches above its weight" also in terms of what the technology sector and Greek entrepreneurs try to do.

The ambassador is enthusiastic about what the future has in store in this area where U.S. companies

**Prime Minister Mitsotakis and his government have moved very fast to deliver reforms that had long been hoped for, but also to set Greece on a fresh trajectory."**

Geoffrey Pyatt, U.S. Ambassador to Greece

dation for many different types of businesses; it is the gateway to the European Union from Asia, from the U.S., and from everywhere else."

The U.S. has indicated it wants to grow its trade and investment cooperation in various Greek economic sectors. As Pyatt says, "Energy in Greece is dynamic, both in terms of renewables and carbon-based generation and delivery." The real estate sector also

lead the world. "I believe we'll see a lot more of the kinds of things that Pfizer, Cisco, Deloitte and EY are doing, in terms of establishing centers of excellence in Greece," he says. "They are seeking to leverage the country's strong human capital base and attract employees who wish to stay in Greece so they can enjoy everything that the country offers including the fantastic climate." He also cites the attraction of Greek universities' very strong academic traditions.

International perceptions of Greece, including those in the U.S., often lag behind modern day reality. "The country has changed a lot during the three and a half years that I have been ambassador. Prime Minister Mitsotakis and his government have moved very fast to deliver reforms that had long been hoped for, but also to set Greece on a fresh trajectory. It is a new Greece in many ways, and as part of that it has reaffirmed its relationship with the U.S. and its commitment to the values and the interests that we hold in common," he concludes.

# Symbolic Hellinikon Project is reignited

The flagship development is a key illustration of Greece's improving investment climate.

At a shareholders' meeting in October, Odiseas Athanasiou, CEO of Lamda Development, announced that, five years after the company put forward its pioneering vision for regenerating Athens, it will soon be able to start implementing Europe's biggest urban development scheme: the Hellinikon Project.

The recent rapid progression of this flagship project is highly symbolic of Greece's move into a new era and of its government's fast-tracking approach to key investments, which had stalled under the previous administration. The €8-billion development that will transform the 6.2-million-square-meter site of a former airport has been entrusted to experienced hands, with Lamda being the leader in the successful development, investment and management of Greek real estate projects. Lamda has also brought on board acclaimed partners, such as Foster + Partners and Arup.

**The Hellinikon Project is just one example of increased international interest in Greece."**

Panos Papazoglou,  
Managing Partner, EY Greece

Aiming to combine the site's natural beauty with landmark buildings and state-of-the-art infrastructure, central components of Hellinikon will be a world-class park that covers 2 million square meters, and an enhanced marina and coastal front. The groundbreaking project will also include a wide range of residential, touristic, commercial, retail, cultural and leisure facilities, and a casino that will be operated by U.S.-based Mohegan Gaming & Entertainment and its partner, the Greek constructor Gek Tema.

Lamda will invest €2 billion over the next five years in phase one of the development, which will see the completion of much of the park, the marina, Greece's largest shopping center, a beach, the casino, hotels

and at least 800 apartments. The project is expected to attract numerous investors and have a huge impact on various Greek sectors, including tourism, as it will reposition Athens as a world-class destination and bring at least one million more tourists to Greece every year. Overall, Hellinikon is expected to provide 75,000 jobs and 2.4% of gross domestic product. Investor confidence in the project is high, as evidenced by Lamda's completion of a €650-million share capital increase earlier this year.

### The wider investment landscape

"The Hellinikon Project is just one example of increased international interest in Greece," says Panos Papazoglou, managing partner of EY in Greece, part of the globally leading firm for assurance, tax, transaction and advisory services. Having operated in Greece since 1926 and with offices in Athens and Thessaloniki, EY is well placed to provide insights into Greece's changing economic climate. "Before the new government's election, we ran a global survey to capture investors' appetite for Greece. At the time, investors ranked Greece highest among European countries for its attractiveness and investment potential. Since the election, investors' interest has risen," advises Papazoglou.

As well as real estate and tourism, EY is witnessing interest in ports, renewable energy, agriculture, pharmaceuticals and the non-performing loans of banks. "Furthermore, Greek startups are gaining attention, with some attracting capital from U.S. investors," he adds. EY believes this growing interest is a result of the government's clear agenda for overhauling public administration, simplifying processes and making investors' lives much easier. "The first law this government passed related to good governance in the public sector. This is a very positive sign that was warmly welcomed by EY, as it is one of the key initiatives we have been pursu-



The Hellinikon Project will revitalize Athens' coastal front



**Odiseas Athanasiou**  
CEO, Lamda Development



**Panos Papazoglou**  
Managing Partner, EY Greece

ing. We are also seeing more governmental transparency," he states.

As Greece's investment environment continues to improve, EY expects interest to rise in other sectors, such as technology, shared services, and research and development centers, where it sees major

opportunities. The firm also thinks there is significant untapped potential in traditional sectors that can be unlocked by technology. "These include agribusiness, where Greece has an unrealized competitive advantage, banking, energy and utilities," says Papazoglou.

### Greece and its recovery are a huge success."

Donald Trump, President of the U.S.

In his visit to the country last year, U.S. Secretary of State Mike Pompeo saluted "a new era" in relations with Greece, describing the country as a pillar of stability in an ever more turbulent region. When Prime Minister Kyriakos Mitsotakis met with President Donald Trump in January this year, Trump was also full of praise,

## 7 things we owe to the Greeks

- |  |   |  |
|--|---|--|
| <p><b>1 Democracy</b><br/>Greek "demokratia" or "rule by the people" was the first known democracy.</p> <p><b>2 Philosophy</b><br/>Our western tradition began in ancient Greece in the 6th century B.C.</p> <p><b>3 Theater and drama</b><br/>Ours has been directly influ-</p> | <p>enced by the fundamentals that Greek dramatics set.</p> <p><b>4 The Olympic Games</b><br/>The Olympic Games began over 2,700 years ago in Olympia, in south-west Greece.</p> <p><b>5 The marathon</b><br/>The endurance test emanated from a run by soldier Pheidippides to Athens to announce the</p> | <p>defeat of the Persians.</p> <p><b>6 Medicine and the Hippocratic Oath</b><br/>Hippocrates' school of medicine made major contributions to medicine that persist today.</p> <p><b>7 Classical architecture</b><br/>Greek architects created the first three orders and hugely influenced the latter two.</p> |
|--|---|--|

Taking railway transport services to the next level



OSE Hellenic Railways:  
For fast, secure, convenient and economical freight and passenger rail transport.



[www.ose.gr](http://www.ose.gr)

# Market confidence is back

Panayotis M. Bernitsas, managing partner of Bernitsas Law, provides an insight to Greece's investment climate.

**PR** As managing partner of one of Greece's largest law firms and the market leader for commercial services, how do you view Greece's macroeconomic position?

**PB** Greece is back to normalcy and we expect it to remain so. Capital controls have been lifted, while domestic banks and corporations have successfully re-entered the international markets. Large Greek issuers — including the Hellenic Telecommunications Organisation (OTE), Hellenic Petroleum (HELPE) and industrial conglomerate Mytilineos Holdings — have recently raised substantial funding on very attractive terms. This is a clear indication that the markets trust Greece and don't believe it will relapse into recession.

**PR** What legal protections are in place for international investors?

**PB** They benefit from good protection under the Greek constitution, domestic and European laws, and bilateral and multilateral treaties. The efficiency of our judicial system has been a concern but measures are being taken to increase the use of arbitration and make the system more expeditious.

**PR** Greece's tax system was known for high tax rates and lower collection rates. How is this changing?

**PB** This government is taking important steps to reduce taxes. For example, company income tax was reduced from 29% to 24% in January. The collection rate has also improved, reaching 91,03% for legal entities, 68,79% for individuals and 84,01% for VAT in 2018, and the upcoming digitalization



**Panayotis M. Bernitsas**  
Managing Partner, Bernitsas Law

of tax returns should bring further improvements.

**PR** Privatizations, non-performing loans (NPLs) and real estate are three of your areas of expertise. How are these sectors developing?

**PB** We have a long history of working on groundbreaking privatizations, including OTE, HELPE and Olympic Airlines. We are currently advising clients in relation to the Athens International Airport, DEPA Infrastructure, the Public Gas Corporation offshoot, and other projects. The opportunities presented by Greece's NPL portfolios are substantial and most of the major international players, many of which we advise, are competing to acquire these. We have also witnessed significant growth in international interest in Greece's real estate. Bernitsas Law has the framework in place to offer investors an international level of service to support their activities in Greece across all industry sectors.



© Delphi Economic Forum  
**Robert D. Kaplan in discussion at Delphi Economic Forum 2019**

## A forum for a better future

In ancient times, Delphi was home to Greece's most authoritative oracle, who people from around the world would consult about important challenges facing them at that time. Today, the tradition of traveling to Delphi to consider vital issues continues in the form of the annual meetings of Delphi Economic Forum, a nonprofit, nonpartisan organization that was founded in Greece in 2016.

Every year, the organization assembles more than 3,500 attendees who engage with business, political, academic and other leading experts in an effort to address emerging challenges, influence national and regional agendas, and promote sustainable and socially

responsible growth policies for South East Europe and the wider Eastern Mediterranean region.

As an indication of the forum's importance, delegates for 2020 include Greek President Prokopios Pavlopoulos and Prime Minister Kyriakos Mitsotakis. The caliber of international participants also reflects Greece's return to the world stage. At the 2019 event, geopolitical expert Robert D. Kaplan noted that Greece had not reached its potential in the 20th century and its governments had been disappointing but he had hope in the new generation. With the right reforms and given its geographical situation, there are no limits to what Greece can do, he said.

**88%**  
of Greek CEOs have confidence in their company's growth prospects in 2020  
(PwC Annual Global CEO Survey)



© GNTD / Y. Skoufias  
**Athens' public transport system covers most of the city and its suburbs**



© Vinci Concessions  
**Vinci Concessions "Charilaos Trikoupis" Bridge (Rio-Antirrio straits)**

# Stimulating infrastructure projects through PPPs

International companies offering concession contracts have been loyal allies through the good times and the bad, providing a resilient model to boost infrastructure development.

Greece can be grateful to those international companies who continued to invest in the country during the crisis, and did not simply up tools and leave, as it greatly helped the restructuring process. Vinci Concessions was one.

A global player in concessions and construction, Vinci operates in some 100 countries worldwide. It has stakes in an array of strategic Greek assets, to which the country's government awards its different concessions. "We know Greece well, since we were involved in the construction of the metro in Athens and the Rio-Antirrio bridge in the mid '80s," points out Vinci Concessions' country manager in Greece, Panayotis Papanikolas.

The crisis dealt a hard blow to the construction industry with many large-scale infrastructure development projects put on hold for its duration. "The construction sector was kept alive by the concession model even within periods of crisis," Papanikolas remarks. In fact, Greece managed to acquire 2,100 kilometers of modern motorways over the last 10 years. "Now that we are back on track, the time is ripe to start looking at those parts of the motorways that were neglected during the crisis," he affirms.

Olympia Odos, the Rio-Antirrio bridge and the port of Igoumenitsa

have already answered to calls to improve accessibility and mobility in the western part of Greece, once an isolated area.

The Rio-Antirrio bridge has been a landmark project in terms of technical engineering and innovation. "Its pillars rest on very poor soil conditions of silt and mud (rock is found 880 meters below the seabed)," mentions Papanikolas. "It was a unique innovation project and we are proud to have developed it, as it is considered to be a milestone in the engineering of bridges worldwide," he elaborates.

Over time, Papanikolas has observed reduced travel times and improved safety on Greek motorways, as well as better maintenance. The environment will be his next strategic focus. Papanikolas is keen to stress how the global performance of the company's projects is not measured only in terms of economic success, but also in terms of their acceptance by the local community.

"We have very precise targets to meet in terms of carbon dioxide and environmental footprint reduction, as set by our headquarters," he states. One example of how the company is reducing consumption levels is by changing all the lights on its motorways and tunnels to LED. "We are also using LED on the Rio-Antirrio bridge, which is electrified with clean energy," he adds.

Infrastructure was not hit as heav-



**Kostas Karamanlis**  
Minister of Infrastructure and Transport



**Panayotis Papanikolas**  
Country Manager, Vinci Concessions

ily as other Greek sectors but projects still lagged behind during the crisis. Even before its election in July 2019, the New Democracy Party had put in place a specific plan in order to stimulate the Greek economy, a big part of which paid heed to the need for an infrastructure boost. This reset for the construction sector will start with investments worth €12 billion, and aims to create 43,000 jobs.

### Planning the future

Crisis apart, the biggest cause of backlog to date has been a lack of central planning and a gaping hole where a National Plan for Infrastructure Development should have been. The government has decided that progress will be faster in these arenas, and results better, by co-operating closely with the private sector. Kostas Karamanlis, the country's Minister of Infrastructure and Transport, explains how, "In Greece, private sector participation only accounts for 10-15% of the country's infrastructure projects, whereas in

Britain, for example, it can reach 60%."

In the coming months, he plans to propose a specific set of amendments in parliament in order to facilitate the major changes required to encourage large-scale public projects. Again, Karamanlis puts matters in perspective: "The average time needed to complete a significant infrastructure project in Europe is around 45 months, and in Greece it is more than double that." He adds that "Serious amendments have to be undertaken, such as addressing bureaucratic obstacles to foreign investment, poor planning, and diversifying funding sources." Renewing mechanisms for production, monitoring and operations across infrastructure, ensuring an ever wider role for the private sector, will be another major cog. "One of our biggest assets is Athens International Airport. We are sure that it is going to be a major privatization success and will really boost Greece's confidence and image abroad," Karamanlis believes.

**GREECE**  
**Ionian**  
Islands

Corfu | Paxi | Lefkada | Meganisi | Kefalonia | Ithaca | Zante

*A palette of blue and green*

















Construction works are on for the Athens Metro extension



Ellaktor's concession portfolio includes Greece's main motorways

## Athens Metro: A Herculean task

Extending the capital's metro system is just one of the complex challenges Greek firms are taking on.

Athens Metro's first line was built in 1869, with Lines 2 and 3 following in 2000. In 2012 an extension of Line 2 opened, an expansion of Line 3 is nearly finished and a contract to construct a new Line 4 should be awarded soon. In a city that is one vast archaeological site, these projects require significant technical skill, but there are additional challenges, says Konstantinos Mitzalis, managing director of Avax, which is constructing Line 3's extension. "For example, one new station is very close to the sea.

That makes excavating the shaft extremely complex," he notes.

With a turnover of €600 million and about 1,000 permanent employees, Avax is Greece's second-largest construction group. "We are active in all construction fields, and have huge experience in public-private partnerships (PPPs) and concessions," Mitzalis explains. The firm has won numerous awards, not just for its construction expertise but also for its sustainable and environmentally responsible approach. It is



Konstantinos Mitzalis  
Managing Director, Avax

no surprise, therefore, that it wins contracts for many of Greece's most important projects. "Currently, we are constructing the Trans Adriatic Pipeline that will carry natural gas to Italy and the

Interconnector Greece-Bulgaria gas pipeline. Avax has also been involved in almost all highway PPPs," he says.

International concessions and projects constitute a substantial part of its portfolio. "We are recognized as a significant partner and collaborate with the world's biggest firms. In Qatar, for instance, we are working on two major highways and a stadium for 2022's soccer world cup, while in Iraq we have contracts worth \$900 million to engineer and construct two power plants. To illustrate the variety of our expertise, in Cyprus we are building one of Europe's largest casino resorts," he states.

Avax remains committed to Greece, however, and eagerly awaits the imminent restarting of its stalled infrastructure projects.

## Evolving beyond construction

The diversification of its best infrastructure firms is transforming Greece's economy.

Ellaktor is one of Greece's most globalized groups, with a presence in 30 countries and revenues corresponding to 1% of the national gross domestic product.

Ellaktor has based its evolution into one of the largest infrastructure groups in Southeastern Europe on its highly diversified portfolio of activities, ranging from concessions to renewables and from waste management to construction and real estate development.

Today, Ellaktor Group is the second-largest renewable energy producer in Greece and holds stakes in the five major motorway concessions in the country. Furthermore, the group has a leading position in waste management, processing over 700,000 tons of waste annually and producing 35MWe from biogas energy.

Under its new management, following the first proxy fight ever held in Greece, "the organization is transforming its mentality and governance with the aim to safeguard the interests of



Anastassios Kallitsantsis  
CEO, Ellaktor

all stakeholders, employees, suppliers and society at large," notes CEO, Anastassios Kallitsantsis.

"The group has a really big footprint on the Greek economy. We want to turn it into one of the strong powerhouses," Kallitsantsis asserts.

## Railway expansion plans progress

After years of insufficient financing, Greece's railway infrastructure and services are on the fast track to helping the country meet its goals for moving people and cargo.

The government wants to maximize Greece's role as a multimodal transportation and logistics hub by expanding, modernizing and connecting all transport systems. "One important requirement is a fast, reliable and competitive rail network to build sustainable mobility and connect industry to ports," says Kostas Karamanlis, Minister of Infrastructure and Transport. The Hellenic Railways Organisation (OSE) is the public utility responsible for ensuring the national railway infrastructure and its systems are capable of meeting these goals. "OSE faces major challenges but great opportunities," says Konstantinos Spiliopoulos, chairman of the board and CEO.

Through its subsidiary Ergose, OSE is expanding the network through projects such as the €10-billion Egnatia Railway, which will create a corridor from northeast to northwest Greece that links six airports, ports like Alexandroupolis and Thessaloniki and logistics hubs. It will also facilitate connections with Bulgarian, Albanian and Turkish rail systems and reduce travel times within Greece.

Alongside its expansion program, OSE's most important challenge

is to upgrade and systematically maintain existing infrastructure. "The condition of much of the track infrastructure and systems like signaling and electrification is poor, so we have designed a 10-year strategic action plan to change this," explains Spiliopoulos. OSE's plan is bringing results. For example, signaling modernization between Athens and Thessaloniki will be finished in 2021, enabling a journey that now takes four hours to be completed in three.

The rail operator TRAINOSE is also bringing the cities closer, says CEO Philippos Tsalides. "We are improving service on this line tremendously. This year the first of five Italian electric trains will arrive," he notes. TRAINOSE also plans to introduce hybrid trains. "These modern additions and the completion of the infrastructure works, such as the ERTMS system, will completely change Greece's railway," he adds.

TRAINOSE was transformed by privatization in 2017, when it was bought by Europe's third-largest railway firm, Ferrovie dello Stato Italiane Group. Annual passenger numbers are up about 16%, while cargo amounts to over 1 million metric



The reignited Egnatia Railway will connect the northern part of Greece



Konstantinos Spiliopoulos  
Chairman of the Board and CEO, OSE

tons. In 2019, TRAINOSE acquired the train maintenance company Rosco. "We are now investing in its depots to create the most sophisticated ones in Southeastern Europe. We are also investing in logistics centers and will be operating two of the region's largest warehouses," states Tsalides.

TRAINOSE is advancing digitalization as well. 48% of tickets



Philippos Tsalides  
CEO, TRAINOSE

are now bought via PayPal and it is working with firms in other sectors on a unified ticket that can be used across train, plane, ferry and other services. It currently has a monopoly in passenger transport and about 98% of the cargo market. "At the end of 2020, passenger transport will be liberalized. This is good as it will enable us to develop even further," he asserts.

## Ports gain efficiency, reinforcing Greece's status as a global hub

Greece is privatizing its ports to take advantage of its position vis-à-vis regional neighbors and international shipping routes.

Greece's port privatization program started with the biggest: Piraeus next to Athens and Thessaloniki in North Greece. The latter, with its good road and train connections, has become Greece's largest transit-trade port. Its very strategic infrastructure makes it the main export gateway for Greece and the Balkans, according to Sotirios Theofanis, chairman of the board of directors and manag-

ing director of Thessaloniki Port Authority (ThPA).

"The port was privatized in 2018. 67% was bought by our consortium of Deutsche Invest Equity Partners, Belterra Investments and Terminal Link, a partnership between CMA CGM, the world's fourth-largest container shipping line, and China Merchants Port. It's a very multinational, experienced team," he explains. The con-

sortium is investing over €650m in the port, which covers 1.5 million square meters of land with six piers, a 6,200 meter quay and vast storage areas.

"Our concession agreement includes obligatory investments of €180 million to extend the container terminal by 550 meters and to a depth of 17.6 meters so we can accommodate super new post-Panamax container vessels. We are also investing over €30 million in equipment," states Theofanis. These investments, as well as the company's restructuring, are hav-

ing a dramatic impact. "We handled almost 450,000 twenty-foot equivalent units in 2019, a rise of 5.8%, saw 19% increase in Balkan break-bulk cargo and average vessel waiting time has reduced from 28.5 hours to 4.5 hours," he says.

ThPA's plans extend far beyond the port's boundaries. "We are developing a network of dry ports in the Balkans and Southeastern Europe to act as 'extended gates'. Thessaloniki's importance in transit traffic will continue growing, making Greece a significant logistics hub for the region," he affirms.

www.avax-sa.gr

# Building the future

AVAX group is one of the largest construction groups in Greece, with a significant presence in large projects in Greece and beyond.

## Introducing good governance brings privatization success

By establishing world-class private-sector standards for the management of state-owned enterprises, the Hellenic Corporation of Assets and Participations is constructing a new institutional framework that is driving Greece's economy forward and which appeals to long-term, strategic investors.

A clear illustration of Greece's ambition for sustainable economic growth and for attracting long-term international investors is the strategic approach the country is taking to the development of its public assets. "We are creating a landscape that is credible, stable, transparent and consistent," says Rania Ekaterinari, CEO of the Hellenic Corporation of Assets and Participations (HCAP).

With a portfolio worth €5.5 billion, HCAP "manages important state-owned assets and increases their value over the long term by assessing and promoting the right strategies for asset exploitation, operational efficiencies and restructuring where required," she states. Those assets include companies that employ over 35,000 staff and operate in vital sectors, including utilities, infrastructure, transportation and services.

Through one of its subsidiaries, the Hellenic Republic Asset Development Fund, HCAP implements Greece's increasingly attractive privatization program.

**"We are creating a landscape that is credible, stable, transparent and consistent."**

Rania Ekaterinari, CEO, Hellenic Corporation of Assets and Participations

"Recent privatizations have been successful in terms of proceeds, adding value and generating long-term investments," explains Ekaterinari, who highlights seaport and airport privatizations as examples.

Greece still has "a great pipeline of assets to be privatized," she notes. Schemes planned for 2020, which are projected to be worth €2.44 billion, include a con-



**Rania Ekaterinari**  
CEO, Hellenic Corporation of Assets and Participations

cession for a major motorway, the sale of 65% of the Public Gas Corporation and the sale of a second 30% stake in Athens International Airport, after a well-subscribed tender process for 30% in 2019.

Key to rising interest from international investors and to ensuring the sustainability of public assets is HCAP's focus on corporate governance, Ekaterinari believes: "Our mission is to attract professional boards and

competent management to all our enterprises, as part of which we have put in place policies to introduce more transparency and mechanisms to define and monitor objectives, targets and performance." Creating value by exploring synergies between assets is another way in which HCAP is contributing to Greece's image as a "mature and credible investment destination," she says.



TIF Helexpo's renovated facilities will be a new landmark for Thessaloniki

## Exhibiting innovation in Thessaloniki

Thessaloniki's position as a hub for trade and innovation is about to take a major step forward with multiple developments taking place in Greece's second-biggest city at the moment.

"Thessaloniki can become a European Silicon Valley," says Anastasios Tzikas, president of TIF Helexpo, the national exhibition

agency that organizes international trade events and owns Greece's most important exhibition centers, Helexpo Maroussi in Athens

## Creating a logistics hub for Southeastern Europe

State-owned Gaiaose is playing a significant role in the development and modernization of Greece's logistics capacity, rail transportation system, energy generation and its city centers.

Greece has nearly everything it needs to be a regional logistics hub, says Perikles Nicolaou, CEO of Gaiaose: "We have our shipping industry, ports and strategic location. But we need to enhance rail infrastructure to support the freight coming into or through Greece." As the state-owned company responsible for managing and exploiting Greece's rail-related real estate, as well as leasing and



**Perikles Nicolaou**  
CEO, Gaiaose

maintaining public rolling stock, Gaiaose is playing a vital role in advancing that infrastructure.

Within its portfolio of 100,000 acres of land and 4,500 buildings, "We have large pieces of land in Athens, Thessaloniki and Alexandroupolis that we are developing



**Anastasios Tzikas**  
President, TIF Helexpo

and the Thessaloniki International Exhibition Center. The latter is undergoing major renovation, says Tzikas: "Our brand-new, high-end venue will be a landmark and help make Thessaloniki a regional exhibitions hub. We hope to publish an architectural tender in 2021."

In 2018, TIF Helexpo's events attracted about 5,600 exhibitors

**"Our brand-new, high-end venue will be a landmark and help make Thessaloniki a regional exhibitions hub."**

Anastasios Tzikas, President, TIF Helexpo



An extended maintenance program for rolling stock will boost rail services

into logistics centers," he states. Gaiaose is further facilitating rail transport by starting an extended maintenance program to refurbish its locomotives and passenger wagons that will boost rail services.

10% of Gaiaose's estate is leased out but, says Nicolaou: "We have many other attractive assets. For example, we want to modernize stations and develop areas around stations in cities like Thessaloniki and Piraeus by constructing things

**"We have large pieces of land in Athens, Thessaloniki and Alexandroupolis that we are developing into logistics centers."**

Perikles Nicolaou, CEO, Gaiaose

and 1.2 million visitors. "Our cornerstone is September's Thessaloniki International Fair (TIF), Greece's largest trade fair," Tzikas says. TIF introduces developments and trends in numerous sectors. Each year, it also hosts an "honored country" which leads to collaborations, he says: "Since the U.S. was honored in 2018, Deloitte has decided to invest in Thessaloniki's high-technology park Technopolis, Pfizer is creating a digital hub here and Cisco is investing in an innovation center."

In a sign of its importance, Prime Minister Mitsotakis chose to announce plans for new innovation park in Thessaloniki at TIF 2019, which has attracted significant international interest. Tzikas is unsurprised: "Thessaloniki is a great place to do business. It combines great human resources, academic and research institutions, an organized innovation ecosystem, and ideal living conditions."



ETAD's portfolio ranges from hospitality assets to office buildings and land plots

## Turning real estate assets into opportunities

The transformation of the Public Properties Company (ETAD), which oversees the Greek state's rich portfolio of real estate assets, into a modern, market-oriented company is a win-win scenario for the country and investors.

"The exploitation of Greece's large and diverse portfolio of publicly owned real estate assets will play a crucial role in attracting new investors and driving the economy," says Stefanos Vlastos, CEO of the Public Properties Company (ETAD), which is responsible for implementing the government's new pro-investment strategy in this area. A subsidiary of the Hellenic Corporation of Assets and Participations, "ETAD's role is to manage and exploit the state's portfolio of properties that are located across the country. Our priorities include increasing revenues stemming from the highest and best use of assets," he explains.

Those assets make up a rich portfolio of opportunities, Vlastos notes: "Among many other things, it includes greenfield areas, apartments, hotels, marinas, food and beverage facilities, ski and spa resorts, cultural heritage assets, camping sites, eco-resorts, warehouses, Olympic facilities, and large agricultural land plots throughout Greece's islands, mainland and cities, including the Athenian Riviera." Until recently, only a small proportion of the vast number of state-owned sites had been appraised, but ETAD is currently auditing its entire portfolio to decide what to invest in, lease,



**Stefanos Vlastos**  
CEO, Public Properties Company

long lease or even sell.

To date, around 2,550 properties worth about €900 million have been valued. "Our new strategy is to create and maximize value as part of a broader cultural shift for ETAD," he says: "In the past, we didn't utilize our assets' potential to the fullest. We are changing this and transforming into a modern, private sector, competitive and dynamic real estate firm that prioritizes asset utilization on a cost-benefit basis and minimizes red-tape issues. Our vision is to infuse the company with an international and market-oriented approach based on trust, and to attract new private capital that will benefit all stakeholders."

## Energy: Harvesting a strategic location

Its location at the crossroads of energy routes plus ambitious decarbonization goals turn Greece into a regional power hub.

Last year, Greece announced its ambitions for the decarbonization of an energy system currently reliant on lignite coal. "Our national strategy has an increased focus on green energy and gas. We have accelerated the closure of lignite-fueled power plants and raised targets for renewables to provide 35% of our energy and 65% of our electricity by 2030," says Gerassimos Thomas, Deputy Minister of Environment and Energy.

That means raising solar generation from 2.7GW to 7.7GW, wind from 3.5GW to 7GW and installing more hydropower, biomass, biogas and geothermal capacity. Greece is well placed to achieve this, as it is blessed with constant sunshine and thousands of uninhabited, windswept islands. "To encourage investors, we are reviewing our licensing procedure. We are also developing regulatory frameworks for combined energy storage and renewable projects and for offshore wind and solar," he states.

Cutting-edge projects are already in the pipeline, as illustrated by the upcoming portfolio of Eunice Energy Group (EEG), a leading Greek renewable energy company that has been investing in pioneering green energy developments since 2001.

"One of our groundbreaking projects has a budget of over €1.4



**Gerassimos Thomas**  
Deputy Minister of Environment and Energy

billion. This involves the installation of a 582MW wind turbine network that will spread across 23 uninhabited islets in the Aegean Sea. This will be linked to SAI and GAP underwater interconnections that will run between Asia, Africa and Europe. In another, we have put forward a proposal to invest in the first large-scale battery storage project of 250MW in Western Macedonia," says George Kalavrouziotis, EEG's founder and CEO.

Greece is also building its position with regard to oil and, especially, gas. Firstly, it is encouraging hydrocarbon exploration. Total, Repsol and ExxonMobil are all working in a country that shares geology with other parts of the hydrocarbon-rich Eastern Mediterra-



A Q-flex vessel docks at DESFA's Revithoussa liquefied natural gas terminal

nean. "Greece is underexplored. It reminds me a lot of Israel, which is now self-sufficient and an exporter. Greece can follow that route," says Mathios Rigas, CEO of the country's active oil producer, Energean.

Secondly, Greece is beefing up its gas infrastructure to serve its own needs and extend supply security to Europe, which has become dependent on Russian gas. "A major development was

ly," Battilana states. DESFA is now consulting on a new 10-year plan for further investment in its network and interconnections.

"Greece has maximized its strategic geographical position as a transmission route for gas. It is also playing an increasing role in supplying electricity to the Balkans and in the unification of Europe's electricity market. Our electricity infrastructure is expanding," says

**"Greece has maximized its strategic geographical position as a transmission route for gas."**

Gerassimos Thomas, Deputy Minister of Environment and Energy

expanding Revithoussa liquefied natural gas (LNG) terminal near Athens. This opened the door to U.S. LNG," says Geoffrey Pyatt, ambassador of the U.S. to Greece. A second terminal, operated by the Gastrade consortium is being built near the port of Alexandroupolis, which is used by U.S. defense forces.

Revithoussa LNG Terminal is operated by the Hellenic Gas Transmission System Operator (DESFA), which is responsible for Greece's natural gas transmission system and interconnections. "DESFA was privatized in 2018 and now leverages the know-how of its shareholders: Italy's Snam, Spain's Enagás and Belgium's Fluxys," says CEO Nicola Battilana.

DESFA is overseeing pipeline projects that will cement Greece as Europe's gas gateway. "Our LNG has already reached Bulgaria, then it will reach North Macedonia and eventually the entire Balkan region; while the Trans Adriatic Pipeline (TAP) will take gas from Azerbaijan through Greece to Ita-

Thomas. As well as infrastructure, the government wants to invest more in technology and the digitalization of its electricity systems in order to boost energy efficiency.

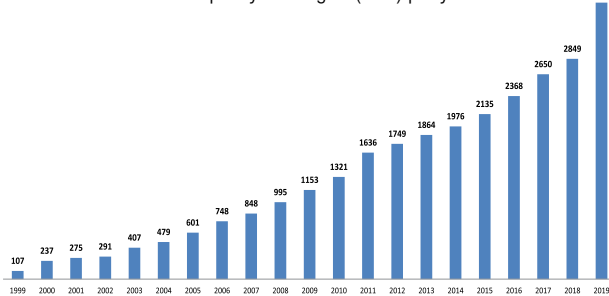
"Overall, our national strategy for energy requires investments of €44 billion and we plan to attract significant private capital to help meet this.

One way we are achieving it is by strengthening competition to encourage new players in generation, distribution and retail. The gas market has been liberalized and we will shift to a market-based system for electricity this year," Thomas asserts.

In addition to DESFA, Greece has already privatized a number of state-owned energy assets, including the Public Power Corporation, Hellenic Petroleum, and the Independent Power Transmission Operator. The gas distributor, DEPA, will be next. "Today, Greece represents an opportunity for U.S. investors and partners and act as a springboard into the energy markets of South Eastern Europe and the Balkans," he concludes.

### Growth in Greek wind power capacity

Total capacity to the grid (MW) per year



The Hellenic Wind Energy Association's statistics take into account the wind capacity which is in commercial or test operation in Greece and are based on sources from the market actors.

## Interconnections for the islands

The rapid expansion of Greece's electricity transmission system opens up investment opportunities.

Limited electricity interconnections between Greece's mainland and islands is currently a restriction to the country's decarbonization goals. Without this underwater infrastructure, many islands are off grid and rely on fossil fuels. In addition, the development of renewable energy is curbed by an inability to get electricity off islands and in the grid.

Greece's Independent Power Transmission Operator (IPTO/ADMIE) is solving this issue. As grid operator, its role is to ensure the transmission system is safe, reliable, efficient and benefits the whole nation. To help develop its network effectively, in 2017 ADMIE was partly privatized, with the State Grid Corporation of China buying



**Manos Manousakis**  
Chairman and CEO, Independent Power Transmission Operator (ADMIE)

a 24% stake. "Since then, ADMIE has transformed into a state-of-the-art company and accelerated its plans for island interconnections,



IPTO's underwater laying activities around the islands

with a €5-billion 10-year investment program," states chairman and CEO, Manos Manousakis. Projects in the program cover many islands, including a connection between Attica and Crete. Budgeted at €356 million, ADMIE is expected to sell 39% of this project to the private sector. This is just one opportunity ADMIE is opening up to investors. "We also aspire to build more interconnections with Balkan countries," adds Manousakis.

ADMIE is increasingly installing cross-border infrastructure, such

as a new land-based connection with Bulgaria, as Greece becomes a hub for electricity. As a reflection of the country's importance in the region's electricity sector and ADMIE's high standards, Thessaloniki will host Southeast Europe's new Regional Security Coordinator that will safeguard efficient integration between countries' electricity systems and markets. "Going forward, we also want to invest in storage and electro-mobility, which are important issues for Greece," Manousakis says.

## The promised land of renewables

According to one Greek pioneer, the future belongs to renewable energy, storage via innovative technology and interconnections.

"There is huge potential in Greek renewable energy sources (RES), with investments of €25 billion expected by 2030," says George Kalavrouziotis, founder and CEO of Eunice Energy Group (EEG). His 100%-green business is a key driver in Greece's move to RES. It is, for example, the only Greek business developing its own wind and solar photovoltaic parks, all of which are self-financed. EEG's RES facilities currently generate about 100MW of energy and it has a pipeline under development for another 1,000MW. Additionally, EEG's subsidiary We Energy provides green and clean energy to the retail market.

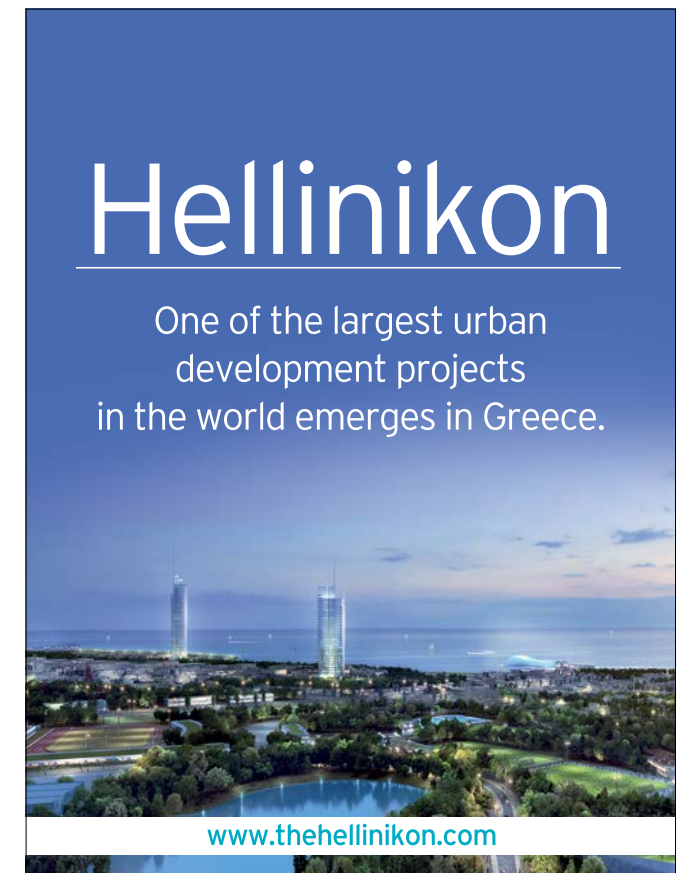
EEG is the Greek leader in smart-grid technology and distributed energy as well. For example, it owns an award-winning hybrid power plant on Tilos island that combines solar and wind

power, battery storage and EEG's innovative energy management system, S4S. EEG also manufactures the first made-in-Greece wind turbine, the 50kW EW16 thetis, which integrates with its S4S, storage units, smart energy devices and electric vehicle (EV) chargers. "With these products, EEG is bringing the 'Democracy of Energy'. We encourage energy communities, where groups of people and organizations can become 'netprosumers' by producing, consuming, storing and selling energy," says Kalavrouziotis.

EEG's wide-ranging credentials have made it the Greek partner of choice for international green-energy firms. In 2019, for instance, it started a joint venture with the U.S.'s Blink Charging to target Europe's EV charging market starting with Greece, where a new network of chargers will be powered by EEG's green energy.

## Hellinikon

One of the largest urban development projects in the world emerges in Greece.



[www.thehellinikon.com](http://www.thehellinikon.com)



## Shipping industry greets IMO2020

With a strategic position at the heart of traditional trade routes, the impressive strength and reach of Greece's shipping industry shows no sign of shrinking.

Greece's incredible, centuries-old relationship with the sea is so extraordinary it is often regarded as part of its DNA. From the home of the ancient god of the sea — Poseidon — to long-established companies that own and operate thousands of vessels around the world, the country's reputation for extensive and efficient marine activities is second to none.

The recent and controversial introduction of a sulfur cap on marine fuels by the International Maritime Organization (IMO) from the start of this year places Greek firms at the forefront of historic and fundamental change. Representatives from the IMO and hundreds of market participants will attend the showcase shipping industry event Posidonia 2020 in Athens in June.

According to the latest government data, the Greek merchant fleet counts more than 720 ships amounting to nearly 40 million gross metric tons. In addition, Greek shipowners control almost 5,000 vessels of various categories and sizes, boasting a combined carrying capacity of nearly 390



**Alexander Hadjipateras**  
Executive Vice President of Business Development, Dorian LPG (USA)

million deadweight (dwt) tonnage shared among 43 flags. The fleet controlled by Greek interests is at a record high, with the Greek-owned fleet comprising 21% and 53% of global and European Union dwt, respectively.

"The shipping industry is by far the most extrovert sector of the

**Shipping is by far the most extrovert economic sector and a major source of income, wealth and prestige for Greece."**

Ioannis Plakiotakis, Minister of Shipping and Island Policy



Greece's shipping sector is on the crest of a wave despite economic headwinds

national economy, a leading global player and a major source of income, wealth and prestige," states Minister of Shipping and Island Policy Ioannis Plakiotakis. "The sector employs 200,000 people directly and indirectly; Greek-owned shipping plays a leading role in our development course, giving us the advantage of world trade diplomacy."

One of the companies spearheading the shipping industry's technological revolution amid the IMO clampdown on harmful

tively welcome the stable political climate this country offers and the stable tax regime for shipping in Greece, which has enabled many companies to operate efficiently here," states Alexander Hadjipateras, Executive Vice President of Business Development at Dorian LPG (USA).

"LPG is a wonderful stepping stone for emerging economies like Indonesia, the Philippines, and Vietnam. These are countries that are changing from less environmentally friendly energy sources to cleaner fuels to support growing energy needs. One of the reasons why these governments picked LPG was because you do not need a grid to be set up, like you do with liquefied natural gas, and you can distribute it easily and quickly into areas that are hard to reach."

The senior executive notes his company had prepared accordingly for the implementation of the new sulfur cap, meaning disruption to its services and clients was avoided. "We are in the process of installing 10 additional scrubbers (special filters) on our vessels, and two were installed already from delivery. They are all the most modern type from first-class manufacturers."

We also have 10 ships using compliant fuel and they are all built so that in the future they can possibly be retrofitted to use LPG as a fuel. We are also testing out sensors onboard that allow us to pull data and optimize vessel performance. We do everything in-house and operate all our technical and purchasing functions internally, as this allows us to deliver an integrated service to our customers."

marine emissions is Dorian LPG (USA). Headquartered on the eastern U.S. seaboard, the experienced, forward-thinking company is a key player in the lucrative transportation of liquefied petroleum gas (LPG).

### Investment in new technology

Boasting a young, modern and fuel-efficient fleet that complies with the highest industry standards, the firm's vessels include 22 very large gas carriers (VLGCs), including 19 new fuel-efficient 84,000 cubic meters (cbm) ECO-design VLGCs and three modern 82,000 cbm VLGCs. The VLGCs have an aggregate carrying capacity of 1.8 million cbm and an average age of just over six years.

"Greece has always been a shipping hub and has always been valued as a shipping and maritime center. As a company, we posi-

## A timid entrance into the digital future

With the nation still lagging behind other European Union members in terms of embracing technology, the digital revolution in Greece is yet to realize its full potential.

Despite being famous for its entrepreneurial spirit, and whether its for cultural or economic reasons, Greece's digital drive has stalled in recent times, with the latest Digital Economy and Society Index from the European Commission placing the country third from bottom in 26th place.

This clearly disappointing ranking implies a high risk of technological lag and digital illiteracy, yet Greece is home to about 2,000 startups after the Greek startup ecosystem accelerated during the financial crisis. Now one of the country's only success stories during that bleak period, successful local startup companies created during the crisis have gained international recognition and funding. They include Persado (£83.6 million),



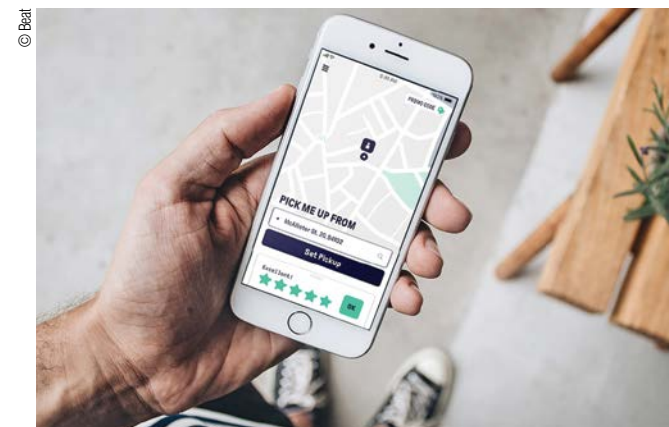
**Kyriakos Pierrakakis**  
Minister of Digital Governance

Blueground (€78 million), Workable (€73.8 million.), Hellas Direct (€23.8 million.), Softomotive (€21.8 million.), Viva Wallet, Beat (formerly Taxibeat), and Upstream.

"Several startups are gaining investors' attention. Some even managed to attract capital injections from U.S. investors," notes Panos Papazoglou, country managing partner of financial giant EY. "We need more of these startups — and this is a realistic prospect — as we have many talented scientists in Greece. How-

**The development of our startups is one of Greece's biggest success stories of the last 10 years."**

Kyriakos Pierrakakis  
Minister of Digital Governance



Award-winning taxi app Beat is one of Greece's successful technology startups

ever, the country needs to keep working to create the conditions to keep them here and concentrate efforts on stopping and, indeed, reversing the brain drain."

### Digital drive to pick up pace

This view is echoed by Greece's Minister of Digital Governance, Kyriakos Pierrakakis, who is upbeat about public- and private-sector efforts to push the digitalization drive into new areas for companies and individuals. This includes the government's four-year plan to remove barriers to facilitate investment and allow firms, particularly tech ones, to grow and boost the economy.

"The development of our startups is one of Greece's biggest success stories of the last 10 years," he states. "The solutions we need for digital progress are not technological but political as, in reality, it is not about adopting new technologies, but about the political will to make decisions which change the structure of the state."

"We need to change the economic mix, become more extrovert, attract foreign direct investment and export more products. Digital technologies are a catalyst as they can create a more friendly state both for citizens and for other enterprises," says Pierrakakis.

## Greeks yet to properly tune in to broadband and pay-TV services

A paid TV penetration rate of 25% pales in comparison to Europe's average of 50%, leaving operators large room for play.

An industry pioneer well known for its provision of first-class telecoms and pay-TV services, Forthnet has forged an outstanding reputation among Greek households and businesses, leaning on its winning collaborations with American entertainment partners.

Serving one in five Greek households — around 600,000 homes — with home entertainment and communication services, Forthnet employs more than 2,000 people via its operations and its network of more than 93 stores throughout Greece, and

it provides services to more than 40,000 small-, medium- and large-sized firms.

### Movies on the go set to debut

Known for its Nova brand, the fast-growing operator will launch mobile services this year, a development CEO and vice chairman of the board, Panos Papadopoulos, is confident will propel his company to even greater market penetration.

"This launch of mobile services will constitute a game changer for the company," he states. "Multi-

play' value propositions are key for our strategy: providing fixed telephone, internet services, pay-TV services and then mobile services starting from Q2 2020. We have partnered with major Hollywood studios and U.S.-based entertainment channels. Both on the entertainment and the telecom side of the business, we want to show Greece is the absolute destination to discuss further collaborations," he adds.

Papadopoulos is eager for the government to encourage major investment in new ICT infrastructure: "Greece is not scoring well in the international ICT benchmarks. If we want to improve our outlook as a country, we need to



**Panos Papadopoulos**  
CEO and Vice Chairman of the Board, Forthnet

put in place basic infrastructure to allow fast telecom access for the Greek market. We need to invest big time in a second telecom access network."

**The Trusted Partner for your Digital Future**

[www.generation-y.net](http://www.generation-y.net)

**GENERATION Y**  
International e-business experts

# Crisis made room for new disruptors

While many young people left in the crisis, necessity was the mother of innovation for others, giving birth to thriving startups.

Tight credit conditions, capital controls, political uncertainty and the fall of domestic demand have decimated many Greek small- and medium- enterprises. Such firms are behind 45% of the country's jobs and 25% of gross domestic product. With the youth unemployment rate skyrocketing to 60% at the peak of the crisis, Greece's new generation was urged to look for alternatives and explore new business ideas to survive.

Ever since, Greece's startup ecosystems have kept growing. Support from the government and the European Investment Fund saw €500 million allocated to early stage startups through a new fund-of-funds program called EquiFund. The fund aims to strengthen the venture capital market to provide entrepreneurs with the crucial financing to grow businesses and attract private sector investment.

A prime example of entrepre-



**Alexis Pantazis**  
Co-Founder and Executive Director, Hellas Direct

neurship and innovation is online insurance firm Hellas Direct. Launched in 2012, the ambitious company is taking on the might of established and experienced rivals by making insurance simpler and easier through a series of innovations. With a focus on motor insurance, Hellas Direct is flourishing and is seen as a poster child for the "New Greece". Proud to be the only insurance



Workable's trendy HQ in Athens is a colorful and vivid office with positive vibes

company in Greece that has accomplished a strategic collaboration with the reinsurance majors Swiss Re and Maiden Re, Hellas Direct is breaking boundaries.

"A few firms are trying to disrupt and innovate. Some are trying on a local level to 'fix' Greece, like us. Others are trying to do it on a global level," says Alexis Pantazis, co-founder and executive director. "From our perspec-

tive, innovation is about rethinking what has been done to date and being comfortable in your own skin to challenge assumptions, including your own. We have a strong emphasis on IT; you have to change the mindset of a traditional insurance company that typically looks at IT as a support function. At Hellas Direct, it's at our core," stresses Pantazis.

## Brave new journey is well underway

From startups created by new entrepreneurs or crowdfunding, young people are thinking bigger and bolder than ever before.

Greece's financial crisis revealed the need for innovation, which fueled the startup ecosystem and along with the evolution of technology created opportunities in numerous sectors, notes Dimitris Koutsopoulos, CEO of Deloitte in Greece, a leading global provider of consulting, financial advisory, tax and legal, risk advisory, audit and assurance related services. "Now, the startup scene seems to be entering a more structured phase, with more investors supporting innovation 'made in Greece'."

According to this expert, public enterprises, large corporations and academia, should align to create the necessary infrastructure and nourish the Greek startup ecosystem now all the odds are favorable. The crisis and inefficiencies of the economic model have left their mark, he says. "However, in this era of exponential change and digital disruption, Greece needs to leapfrog ahead in its digital matu-



**Dimitris Koutsopoulos**  
CEO, Deloitte Greece

riety. There is strong interest and willingness from Greek businesses in all sectors and of all sizes to move faster toward Industry 4.0 and the digital era. Most important is our abundant talent: young, educated and ambitious people that are our most precious competitive advantage and can propel us to the new digital age," he adds.

# Greece's got talent

Reversing the brain drain and encouraging Greeks to return home is made easier when innovative startups flourish on top of Greeks' natural inclination for entrepreneurship.

Last year's high-profile survey of Greek emigrants entitled "Brain, Drain and Gain" by accountancy giant KPMG, revealed many young people who left the country during the financial crisis would eagerly return if certain conditions were right.

According to the survey of several hundred people, around half would seriously consider coming home if taxes were lowered, salaries increased and greater support was provided by the banks. "Greece's startup success stories, such as Beat or Workable, clearly indicate young people in Greece can achieve a lot," says Nikolaos Vouniseas, senior partner of KPMG Greece. "It's important Greece provides that basis for people to come back, and lay the foundation to enable that environment to facilitate people's return."

The senior executive also highlights the results of KPMG's 2019 Global CEO Outlook, which indicated delays in implementing technology and a very low penetration of digitalization.

"The Greek National Digital Strategy has been laid out and aims to address this issue: the government has devised a strategy to foster more digitalization within public services. We are still lagging behind other European Union countries, but the need for further digitalization has been identified for both public and pri-



**Anastasios Spanidis**  
CEO, Generation Y

vate sectors, so it is only a matter of time for its implementation," Vouniseas concludes.

## Generation Y plays its 'A' game

Some of the world's largest tech giants now conquering continents from Silicon Valley began life as basic code on monochrome screens or scribbles in student notepads.

Following the trail blazed by the likes of Microsoft, Apple and Facebook is Generation Y, a fast-growing company born in its CEO's garage two decades ago. The award-winning and ambitious firm was the brainchild of dynamic entrepreneur Anastasios Spanidis and is involved in a range of e-marketing and business consultancy activities.

With offices in 10 countries and a network of industry specialist



44% of 30-34 year olds in Greece have a higher education degree

associates, Generation Y offers a broad spectrum of expertise. The enterprise's primary objective is to provide its clientele, whether corporate or private individuals, with integrated business solutions that deliver the desired results, via electronic advertising services or business consultancy.

Launched at the start of the millennium, Generation Y is expanding its service portfolio and further extending its reach into

of their products and services, or help them penetrate exciting new markets."

The charismatic and forward-thinking individual pinpoints people's healthcare and medical treatment as one of the biggest beneficiaries of new technology. "We will see many things happening in this industry, which will improve our quality of life," he continues. "You can already see things happening with nano-

**We have embraced digitalization and have it in our veins. Generation Y has been a beacon of hope for Greek firms."**

Anastasios Spanidis, CEO, Generation Y

international markets by opening offices in places like Austin, Texas.

"We have embraced the progress of digitalization and now have it in our veins," Spanidis states. We export to 24 countries, employ more than 230 dedicated people in-house and serve more than 2,500 clients worldwide. Generation Y has been a little beacon of hope for companies in Greece as it uses technology to either lower their operational costs, sell more

technology, artificial intelligence, quantum physics and computers. The challenge is to accept how fast things are happening now. Every human being will have to find his or her rhythm.

"We export 78% of our services, and I'm proud to say that we export technology and are creators of technology, not just users. This is ingrained in our DNA, and we still offer all our clients the royal treatment. The sky really is the limit."

**Forthnet**   

The innovative provider of home entertainment and telecommunications services in Greece

# Aerospace and defense sectors pick up speed

Hi-tech manufacturing companies in Greece offer promising perspectives with the development of state-of-the-art technologies that also bring benefits for traditional industries closer to home, such as defense and aviation.



According to the highly respected Organisation of Economic Co-operation and Development, Greece exports high-tech products valued at more than €1 billion every year — double the income from more traditional products like extra virgin olive oil.

Greek companies and researchers are indeed getting increasingly recognized internationally in the applications of cutting-edge mobile digital communications, biomedical technology, microelectronics and aerospace.

Since 2005, Greece has been a full member of the European Space Agency, which is responsible for structuring and implementing the European Union's space programs.



**George Troullinos**  
CEO, INTRACOM DEFENSE

related products and services. "We now host more than 45 small- and medium-sized enterprises active in the space industry, with over 2,500 highly educated em-

products and services to customers in Europe and other countries, especially in the US and the Far East," he adds.

According to Potsis, the development of such state-of-the-art technology has a myriad of benefits for other sectors as well, including operations related to activities as diverse as agriculture, weather forecasting and border surveillance. This mission is supported further by the Hellenic Space Technologies and Applications Cluster. Based in Athens, the entity aims to develop Greece as a leader in space technologies and applications with a high international visibility, capable of developing and attracting high-impact research, development and innovation and business activities.

The first Greek satellite was constructed by European aviation titan Airbus, and in May 2019, the Hellenic Space Agency signed a memorandum of understanding with Airbus covering future space cooperation that involves the sharing of best practices and technology transfer between both parties.

### Defense firms get competitive

INTRACOM DEFENSE (IDE), the leading defense telecommunications and electronics systems manufacturer in Greece, specializes in the design, development and manufacturing of products that incorporate state-of-the-art technologies in a wide range of applications. IDE's broad product portfolio currently includes command, control and tactical communication systems, information security, missile electronic systems (data links and telemetries), surveillance, reconnaissance and security systems, hybrid

electric power and electric energy storage systems, unmanned vehicles, as well as software for military applications.

"We are an export-driven company — 98% of IDE's orders originate from foreign markets — including to countries where strong partnerships with industry titans have been forged," as IDE's CEO, George Troullinos, explains. "The U.S. market is currently the most important market for IDE," he states.

**Through our partnerships with U.S. companies such as Raytheon, Northrop Grumman and Boeing, and our work on defense systems PATRIOT, F-16 and AWACS, we have kept our exports to the U.S. at high levels."**

George Troullinos  
CEO, INTRACOM DEFENSE

"Through our partnerships with U.S. companies such as Raytheon, Northrop Grumman and Boeing, and our work on defense systems PATRIOT, F-16 and AWACS, we have kept our exports to the U.S. at high levels. Currently, IDE is working to introduce its hybrid power products to the U.S. and, if successful, will invest and manufacture our products in the local market.

"What made IDE stand out on its own feet and survive one decade of the country's harsh economic conditions was our company culture. That is, our persistence in product quality, competitiveness and on-time delivery, in combination with addressing the international market and not focusing only on our internal market."

# From brain drain to brain gain: Greek talent ushered back

Niki Kerameus, Minister of Education and Religious Affairs, explains how universities and economic needs must align.



The Academy of Athens is Greece's leading research institute

**PR** Greece has a wide range of universities, and a reputation for good professors and competent and qualified students. In fact, the quality of its people is a real asset for the country. However, the country suffered from a brain drain when there was an exodus during the crisis. Is this trend reversing now?



**Niki Kerameus**  
Minister of Education and Religious Affairs

**NK** Indeed, we suffered tremendously from the crisis and lost around 500,000 highly skilled Greeks who went abroad. However, we are working hard on trying to attract those Greeks who left the country back, by creating special positions for those who return from abroad, and by introducing government incentives in order to coax them back.

**PR** The country is working on a new framework for higher education and prioritizing making universities more autonomous. Can you explain these plans?

**NK** Greece has traditionally had a very concentrated system in which a lot of powers have lied with the Min-

istry of Education and the government, which is something we have started to change. We want universities to be in a position to decide autonomously about things like creating foreign programs.

We have also just passed a new law to cut red tape so that the budget available for research can be accessed more easily by universities. In addition, we would like to enhance the possibilities for public-private partnerships and provide tax incentives for donations toward universities.

**We want universities to be in a position to decide autonomously about things like creating foreign programs."**

Niki Kerameus, Minister of Education and Religious Affairs

# When corporations act as game changers

Greece's dynamic companies are triggering diverse changes, from economic remodeling and inclusive growth to introducing more sustainability, with Coca-Cola in Greece leading the way.

With 50 years of presence in Greece together with its partner Coca-Cola HBC and an economic contribution estimated at €2 billion or 1.1% of gross domestic product for 2018, Coca-Cola in Greece is no small player. Its contribution has a strong multiplier effect as, "For every €1 of our value-added, another €11 are generated overall in the Greek economy," Sissy Iliopoulou, public affairs, communications and sustainability manager explains.

The company is involved in university events, aiming to "bridge the gap between academic education and employment." As part of its priorities, it also wants to spread good practices including a circular economy, in an open and inclusive manner. "We are going to focus on the circular economy and sustainable living, primarily on waste, as well as on our overall sustainability agenda, emphasizing women and youth empowerment via



**Sissy Iliopoulou**  
Public Affairs, Communications and Sustainability Manager, The Coca-Cola Company Greece, Cyprus, Malta

enhancing their new skills around the circular economy, water conservation, diversity and inclusion. We are very proud of our social platform Zero Waste Future. Our vision is to enrich our social impact in Greece and the total consumer experience," she adds.

**Greece now hosts more than 45 SMEs active in the space industry, with over 2,500 highly educated employees and an industry turnover of almost €180 million in 2018."**

Athanasios Potsis, President, Hellenic Association of Space Industry

This new membership accelerated the creation of a national space industry from scratch and forced the nation to adapt its existing capabilities and make new investments to produce space re-

lated products and services. "We now host more than 45 small- and medium-sized enterprises active in the space industry, with over 2,500 highly educated em-

**HELLAS DIRECT**  
RETHINK INSURANCE

**Listed as one of Europe's 1,000 fastest-growing companies for 2019 by the Financial Times.**

Celestyal Cruises

**GREECE & THE MEDITERRANEAN**  
ALL-INCLUSIVE CRUISING  
celestyalcruises.com



Kythira, an idyllic island in the Ionian archipelago



18 Greek restaurants appear in the 2019 Michelin Guide

## Greece, always in season

Greece seeks to further boost its tourism sector by providing tourists with unforgettable travel experiences to suit all tastes.

“Tourism is one of Greece’s most dynamic sectors, contributing to over 25% of GDP,” states Dimitris Fragakis, secretary general of the Greek National Tourism Organisation. In 2018, the country welcomed about 33 million visitors, a number with a continuous upward trend, as tourists show a preference for the wide variety of memorable experiences offered.

as a worldwide popular destination.

Theoharis states that the plan will “enhance the competitiveness, quality, authenticity and sustainability of our tourism product. This will partly be achieved by new high-quality infrastructure, that involves boosting air and sea connections.”

These developments will serve toward more people dis-

**Greece means so much more than sea and sun — it provides an intriguing combination of culture, history, gastronomy and outstanding beauty.”**

Harry Theoharis, Minister of Tourism

“Greece means so much more than sea and sun — it provides an intriguing combination of culture, history, gastronomy and outstanding beauty,” says Harry Theoharis, Minister of Tourism.

The ministry has released a 10-year development plan in order to further expand the industry, keeping Greece high on the list of tourist preferences

covering Greece’s striking attractions, many of which are still lesser known. Benefiting from an excellent Mediterranean climate, Greece is an ideal holiday destination all year round. In the winter, visitors can enjoy famous locations such as Athens, or Santorini and Mykonos islands, and see



them under a new light. Mainland cities such as Thessaloniki, Patras and Kavala are splendid short-break destinations thanks to their special atmosphere, culture, traditions and sights. The country also boasts a plethora of other gems worth exploring.

History buffs will feel at home here, as they’ll find archaeological treasures — some of them renowned the world over — such as Olympia, birthplace of the Olympic Games and a UNESCO World Heritage Site, and the 4th century B.C. Epidaurus theater, an active stage of the arts today, as in antiquity.

Many of Greece’s 230 or so inhabited islands are less visited and that makes them an excellent choice for peaceful holidays in stunning surroundings. For those seeking an alternative way to unwind, an excellent option would be a visit to natural hot springs and spas.

Tourists in search of spectacular scenery and adventure, can choose the Greek mountains and rivers, and revel in activities like hiking or extreme sports such as skiing, paragliding, rafting and climbing. Greek cuisine is well known across the world. Village tavernas offer flavorful traditional dishes prepared with fresh local ingredients. Haute-cuisine lovers can choose among the

luxury Michelin-starred restaurants that combine authenticity with dazzling innovation. So it is no wonder Greece is now significantly attracting international foodies. Everywhere in Greece you will hear and sense “philoxenia,” meaning “friendly to a stranger”. This notion — considered a great virtue in antiquity — has remained in the genes of Greeks and it has led the world to a better understanding of the meaning of hospitality.

### 5 spots to visit off the beaten track

- 1 Alonissos island is a top Greek eco-friendly destination due to its National Marine Park
- 2 Unspoiled and peaceful Sikinos became the first Aegean island to ban plastic straws in 2018
- 3 Samothrace island is the perfect spot for adventure and extreme sports lovers
- 4 Filippii, Kavala is listed as a UNESCO World Heritage Site
- 5 Kythira island boasts a Venetian castle offering breathtaking views to the Aegean Sea

## Peloponnese: The cradle of modern Greece

The region that is home to some of the world’s most important historical sites draws in 21st-century tourists and investors.

Named by Condé Nast Traveller as one of the world’s top-12 destinations for 2020, Peloponnese is a stunning region at Europe’s southern tip that demands to be explored. A major draw is the region’s rich and long history, with 60% of Greece’s archaeological sites to be found within its boundaries. Some of the most outstanding include 3,500-year-old palaces at Mycenae and Pylos; the incredibly well-preserved theater at Epidaurus; Olympia, host of the Olympic Games from 776 B.C.; spectacular Venetian, Frankish and Ottoman castles; and medieval towns like Mystras and Monemvasia that are packed with Byzantine churches.

Peloponnese also has infinite natural attractions. Its vast indented coast contains unspoiled beaches, coves and caves, plus idyllic villages and towns, such as Stoupa and the upmarket Porto Heli. Rising above the sea are forests and rugged mountains that are excellent for hiking, bird watching and skiing in winter, while the inspiring scenery provides a perfect backdrop for wellness treatments at, for example, the new Euphoria Retreat, winner at the World Luxury Spa Awards 2019.

Although mountainous, the region is very fertile and full of culinary delights, with the cultivation of world-class food and drink dominating its economy. “We grow all the agricultural goods that make



Panagiotis Nikas  
Peloponnese Regional Governor

up the Mediterranean diet. Kalamata olives are probably the best in the world and one of our main products is high-quality olive oil, but there are Peloponnesian food manufacturers creating over 40 different types of products that are exported all over the world. In particular, we produce some of Greece’s best wines,” explains Peloponnese Regional Governor Panagiotis Nikas.

### A region to connect with

Peloponnese is easily accessible, says Nikas: “We are close to Athens and Kalamata International Airport serves 30 destinations. Then we have ports, marinas, modern highways and a rail network that link us to the rest of Greece and beyond.” This connectivity makes the region an excellent base for investors as well as tourists. “Other benefits include a



Watching a play at ancient Epidaurus is a highlight for theater lovers



The medieval Venetian castle at the port town of Methoni

great quality of life, and a first-rate specialized and non-specialized workforce,” he notes.

With visitor numbers rising, there are diverse investment opportunities in Peloponnesian tourism. “We want to invest further in both touristic and transport infrastructure, as well as in promotion. Other priorities include boosting innovation and reinforcing the attractiveness of our agriculture, where our main concern is irrigation,” Nikas states. One of many additional areas with tremendous unexploited capacity is the generation of solar and wind energy, he adds: “I would like to invite all investors to come and explore the potential in Peloponnese.”

### 5 reasons to invest in Peloponnese

- 1 Close to Athens and the Greek mainland
- 2 Great existing transport infrastructure
- 3 Skilled workforce, especially for tourism and agriculture
- 4 Unique tourism and cultural sites
- 5 Opportunities in renewable energy



**Discover the authentic side of Peloponnese**

**Peloponnese** is a showcase for Greece’s rich history and landscape

**REGION OF PELOPONNESE**  
www.ppel.gov.gr



The charming and elegant Cycladic island of Serifos



The South Aegean was European Region of Gastronomy in 2019

## Aegean islands: The ultimate tourism experience

Having attracted international travelers for more than two millennia, the stunning and diverse islands of the South Aegean are still the destination-of-choice for 40% of visitors to Greece.

The South Aegean, Europe's largest island region, epitomizes most people's image of Greek holiday perfection: world-beating beauty, traditional white- and blue-painted villages, bright year-round sunlight, magnificent beaches, crystal-clear azure sea, unfailing hospitality and fantastic food.

Luckily, the region is easily accessible and dedicated to tourism, says South Aegean Regional Governor Giorgos Hadjimarkos: "Life here is all about tourism — we live and breathe it. We welcome 40% of all visitors to Greece and 95% of the South Aegean's GDP

revered for their magical appearance, with ancient Greeks believing that they were originally water nymphs who were turned into islands by the god Poseidon.

The region is full of diversity, says Hadjimarkos: "Each island has its own personality, character and identity, so whatever a visitor is looking for, they can find, whether it's a deserted beach, gastronomy, culture, nightlife, sports or activities like climbing and diving." Its most famous islands contain 60% of Greece's 5-star hotels and sufficient infrastructure to support year-round visitors,

Giorgos Hadjimarkos  
South Aegean Regional Governor

gems," states Hadjimarkos. A random selection of just five of these in the Cyclades illustrates their variety. Low-key Naxos has an old and active port town packed with Venetian architecture. Culturally rich Tinos has been the home of leading Greek artists for centuries. For hikers, Andros has a rugged landscape with lush hillsides, while gorgeous Paros is relatively flat and has well-marked trails. Lastly, the intensely colored waters around Amorgos provided the location for Luc Besson's breathtaking film "The Big Blue".

One standout attraction throughout the region is its cuisine. "In 2019, we were the first Greek region to be named European Region of Gastronomy, and the European Young Chefs of 2016 and 2019 were both from here," Hadjimarkos notes. The roots of the South Aegean's vibrant wealth of culinary flavors go back 3,000 years, with local products from land and sea being embellished by ingredients and

techniques bought by travelers to the islands. From the Byzantine Empire, for example, came spices, while the Venetians introduced handmade pastas. Highlights include cured fish and meats, cheeses, slow-roasted meats, legumes and wines but each island has its own unique gastronomic traditions and products to enjoy, such as Santorini's tomatoes and fava beans, Paros' sun-dried mackerel and Naxos' Sefoukloti pie filled with chard, rice and herbs.

For those finding it difficult to select a single destination, island hopping is the answer, he says: "To make that easier, we are building the world's biggest network of sea drones. In about a year, we will have our first flights that connect one island to the next." This is just one of the large investments going into the region as visitor numbers continue to grow.

Operated by Fraport, the international airports in Rhodes, Kos, Santorini and Mykonos are being totally overhauled, for instance, plus, "A U.S. company is building Greece's first beach-based golf club, Afandou, on Rhodes and Four Seasons is investing in Mykonos. Our next challenge is investing in our 118 ports," Hadjimarkos states. Athinagoras Konstantinidis, director of the three 5-star Atrium Hotels on Rhodes, confirms the growing international interest in tourism: "Private equity groups and famous long-term institutional investors are actively investing and the biggest hotel brands are also aggressively harnessing the opportunity."

## A natural film studio

Greece has always offered stunning and diverse locations, but new infrastructure and competitive incentives are making it easier for production houses to put their ideas into action.

The world's film directors have been using Greece as a backdrop to their stories since the 1920s, with just a few of the memorable results being Zorba the Greek, For Your Eyes Only, Tomb Raider and Mamma Mia. Recently, however, the number of films being made in the country has shot up.

"In the last two years, we have attracted 78 film productions from the U.S., South Korea, China, Turkey, Israel, the U.K. and eight other European countries. The making of television series is also in resurgence," says Panos Kouanis, president and CEO of the National Centre of Audiovisual Media and Communication (EKOME). Operating under the auspices of the Ministry of Digital Governance, EKOME is tasked with promoting and fostering Greece's audiovisual industry, and this boost coincides with the organization's establishment.

Kouanis states: "Greece's biggest asset for film makers is that the country is a natural studio. Any kind of production can be realized here because, although many people think we offer only sand and sea, we actually have a huge variety of stunning and accessible natural locations suitable for all types of shoots, including mountains and ski resorts."

**The number one thing we have introduced is financial incentives. The first is a cash-rebate program that offers a 35% rebate on production costs."**

Panos Kouanis, President and CEO, National Centre of Audiovisual Media and Communication

In addition, Greece has an infinite range of manmade locations that span millennia and extend from ancient temples to sophisticated lofts in cosmopolitan cities. It also boasts what is probably the world's most film-friendly, year-round light, which allows eight-hour shooting days in winter and 12 in summer.

These assets have always existed but one of EKOME's responsibilities

Panos Kouanis  
President and CEO, National Centre of Audiovisual Media and Communication

has been to develop new ways of making filming in Greece more attractive for production houses. "The number one thing we have introduced is financial incentives. The first is a cash-rebate program that offers a 35% rebate on production costs incurred in Greece, once shooting is finished," says Kouanis.

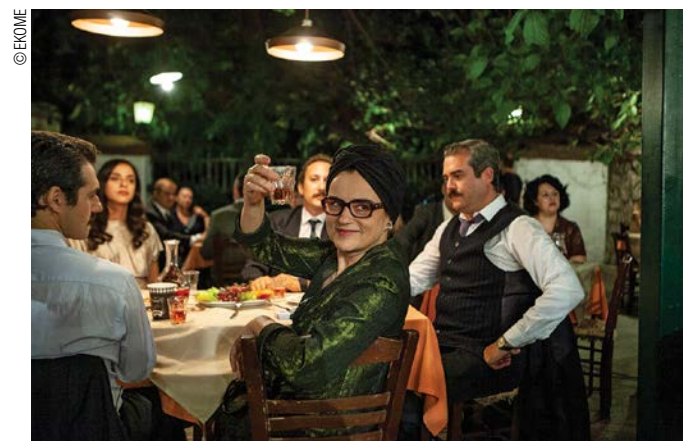
To date, the government has returned over €19 million to local and international producers through this scheme and has budgeted for a total return of €75 million before 2023. Adding to its appeal, the program covers feature films, television series, documentaries, animations and digital games; it can be applied for through an

easy online system; and funding is automatic not selective.

"Following on from this, from February this year we have a tax-relief program in place — if you invest in a film or TV series here, 30% of eligible costs will be deducted from the net taxable income of anyone taxed in Greece. The government has realized that the cost of returning this money is nothing compared to the multiplier effect



Steve Coogan performs in Michael Winterbottom's Greed



On the set of Angelos Frantzis' 2019 film, Eftychia

it has on the Greek economy," he explains.

EKOME is also creating an infrastructure network to support film makers. "We are setting up 15 film offices by the end of 2020: one in each region and two in the major municipalities of Athens and Thessaloniki. These will act as one-stop shops for international and local productions. If they need permits, crew or any other help, these offices will be there to serve them," Kouanis says.

He adds that production companies will soon be served by a new film studio as well. This facility will cover 83,000 square meters, have eight stages and represents a €20-million investment from Nu Boyana Film Studios, a subsidiary of U.S.-based Millennium Films, and New York's York Studios.

Although this studio will take Greek filmmaking to the next level, the country is already home to

an English-speaking professional workforce, plus service and equipment suppliers, that are highly experienced in all stages of the production process.

But as demand for these services rises, EKOME is focusing on building capacity through education by, for example, collaborating with Nu Boyana on an internship scheme, and working with the Ministry of Education and universities to develop tailor-made educational programs.

Interest in filming in Greece continues to ramp up, states Kouanis. "We are in discussions with many large companies, including Netflix and Paramount, Universal shot two series here in 2019 and Warner is planning several shoots this year. International companies are beginning to realize that Greece is a haven for investments in addition to being a natural haven," he concludes.

©GNTD



Corfu, a fascinating and beautiful island off Greece's west coast

## Ionian Islands: Culture and beauty

Discover a different Greece in the glorious Ionian Islands Region, which is focused on continuing to create high-quality, unique and sustainable experiences for tourists.

Scattered in the calm, sapphire-blue sea off the western coast of mainland Greece are the lush, green and incredibly photogenic Ionian islands, the most famous of which — Corfu, Kefalonia, Ithaca, Zakynthos, Zante, Lefkada and Paxos — attract over 3.1 million visitors a year to their award-winning beaches.

As well as being captivating, the isles are unique, says Ionian Islands Regional Governor Rodi Kratsa-Tsagaropoulou. “They have a rich natural environment and culture that make them different to the rest of Greece. The region’s history covers Venetian, French, Russian and British influences, which gives a special character to its inhabitants, architecture, music, art and food products,” she explains.

Visitor arrivals at the region’s three airports went up 15% in 2018 and cruise numbers are also growing, but Kratsa wants to further open up the diverse wealth of authentic and singular experiences the region could offer by developing more high-quality



Rodi Kratsa-Tsagaropoulou  
Ionian Islands Regional Governor

and sustainable tourism products. As an example, she highlights U.S.-based NCH Capital’s development on Corfu, which will see hotels and villas being built on 7% of a 500-acre site, with the remainder being used to conserve the island’s natural beauty.

“It is important that tourism here is focused on local culture, and respects the region’s characteristics and environment, because the Ionian islands are not only about vacations — they are also a way of life,” she states.

“The region’s history covers Venetian, French, Russian and British influences, which gives a special character to its inhabitants, architecture, music, art and food products,”

Rodi Kratsa-Tsagaropoulou, Ionian Islands Regional Governor

## A destination made for cruising

Greece contains over 6,000 islands, each with its own distinct and enticing personality — a cruise offers the most luxurious and relaxing way to immerse yourself in them.

The number of tourists visiting Greece on cruise ships rose 16% in 2019, according to the Hellenic Ports Association. “It’s increasingly popular because Greece has so many wonderful islands and there is no more convenient or adventurous way to experience them,” explains Chris Theophilides, CEO of Celestyal Cruises.

115,000 travelers, 40% of them from the U.S., chose to visit those islands and other locations in the Eastern Mediterranean with this multi-award-winning company. One reason for their choice is that, as the country’s only home-based cruise operator, Celestyal Cruises has unrivaled local knowledge. “Another is our destination-centric philosophy. We operate two mid-sized ships that only accommodate 1,500 guests. This means we can enter ports on smaller, off-the-beaten-track island gems as well as visiting the most popular regional destinations in our itineraries,” Theophilides reveals.

Smaller ships also allow the company to provide highly personalized services. Guests experience an authentic cultural immersion, with food, drink, entertainment and ambience all reflecting Greece’s famed hospitality.

Theophilides believes the cruis-



Chris Theophilides  
CEO, Celestyal Cruises

ing sector will continue growing quickly. “As an indication of demand, we now have to reserve port berths two years in advance,” he says. In line with this, Celestyal Cruises is expanding by rolling out new itineraries to introduce even more destinations and by extending its calendar, which runs from March to January. According to the CEO, it aims to be running cruises all-year round within two years and is considering investing in extra ships. “We have also opened international offices and, of course, the first and most important is in the U.S., where we have a team of 12 dedicated to servicing American guests and travel partners,” he says.



Celestyal Cruise’s mid-sized ships visit island gems of all sizes

**EKOME**  
National Centre of Audiovisual Media and Communication

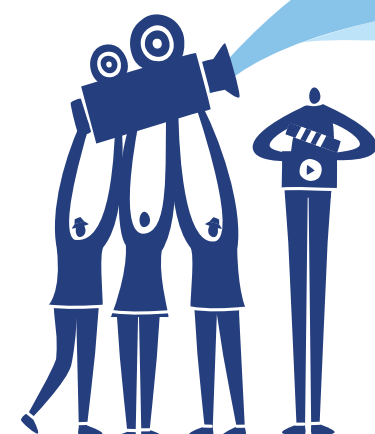
## STUDIO GREECE

YOUR IDEA IN ACTION!

- ✓ 35% CASH REBATE
- ✓ 30% TAX RELIEF
- ✓ NETWORK OF FILM OFFICES

### INVEST IN THE GREEK AUDIOVISUAL SECTOR

We manage the Greek cash rebate and tax incentive programs, coordinate the national network of film offices, fostering entrepreneurship and creating the proper infrastructure for the development of audiovisual production in Greece.



WWW.KOMMIGRAPHICS.COM



The city of Thessaloniki wraps around the Mediterranean Sea



Privatized in 2018, €650 million is being invested in the Port of Thessaloniki

## Thessaloniki: The vibrant and bustling city

Located 500 kilometers north of Athens, Greece's second-largest city stands out for its rich history, as well as its strategic location and dynamic talent pool.

Nested by the Mediterranean Sea within close distance of its neighbors North Macedonia, Turkey, Bulgaria and Albania, the modern and multicultural capital of Central Macedonia is emerging as a center of innovation and entrepreneurship.

"Almost 50% of the population are students or belong to the academic community," explains Mayor Konstantinos Zervas. This large concentration of qualified, multinational students, vibrant ecosystem

lis is American pharmaceutical group Pfizer, which announced last year the establishment of one of its six new digital research hubs in Thessaloniki by 2020.

"The decision to invest in Greece and specifically in Thessaloniki was made because the city provides significant advantages," explains Zachary Ragousis, president and managing director of Pfizer Greece.

"One is its favorable geographic position that allows for positive collaboration across the other worldwide digital hubs at Pfizer. The levels of local investment in incubators and technology centers are well aligned with the strategic priorities of Pfizer, while the concentration of digital talent across multiple disciplines provides an exceptional opportunity to attract and retain skilled talent within the country," he states.

Focused on artificial intelligence and big data analytics, the new facility will provide up to 200 jobs locally, while triggering new partnerships with universities and local innovation incubators. With this investment, the firm is taking its commitment to the country one step further.



**Zachary Ragousis**  
President and Managing Director, Pfizer Greece



**Sotirios Theofanis**  
Chairman of the Board of Directors and Managing Director, Thessaloniki Port Authority

"Pfizer has been operating in Greece since 1960. Throughout this time, we have contributed hundreds of millions of euros to the country's public revenues, and we have given employment and professional growth opportunities to thousands of workers," says Ragousis.

"We were here during the recent economic crisis, sustaining the business impact and at the same time contributing to Greek society. This is an indication of our strong commitment to Greece, but also of our trust in the potential of this country and its people," he concludes.

### Expanding infrastructure

Similar investments have been made by firms like Cisco or Deloitte, which hosts its Alexander Competence Center that is dedicated to creative thinking

and productivity in the cosmopolitan city. In parallel, a new privately funded technology and innovation park — Thess Intec — has been announced by Prime Minister Mitsotakis, which will host educational, research, financial and industry bodies.

"Our plan is to turn our city into a smart city," summarizes Zervas. Major construction works are also in process that will give the place a deep facelift, such as the Thessaloniki metro planned for 2023, the renovation of the TIF Helexpo exhibition center and the expansion of the port, rail and transportation networks that will enhance its position at logistics hub. The dynamic and cultural city is forging an identity of its own, showing the rest of the world that it is second to none.

## A soft landing in sight for Greek banks

Greece's macroeconomic climate has greatly improved and along with it the banking landscape. Investors are increasingly optimistic about the ability of the country's four systemic banks to clean up non-performing loans — a crucial part of the whole recovery.

Hellenic banks are still carrying the burden of non-performing loans (NPLs) at figures much higher than the average for EU banks, yet vast gains have been made recently. According to the Bank of Greece, in June 2019, NPLs amounted to €75.4 billion, down by €31.9 billion from their peak in March 2016. A number of important reforms have been implemented over the years, aiming to provide banks with an array of tools for tackling the issue.

Attica Bank intends to become the first Greek bank with no NPLs from the past; only new production NPLs. "NPLs are a strong contributing factor to keeping the cost of capital high in Greece, and it is unreasonably so at the moment. Thus, we need to get rid of NPLs in order to reduce the cost of capital," explains Costas S. Mitropoulos, chairman of the board at Attica Bank.



**Fokion Karavias**  
CEO, Eurobank

faster." Attica Bank securitized its first lot in 2017, second lot in 2018 and the remaining €700 million are scheduled to be securitized in 2020.

Eurobank initiated the trend, CEO Fokion Karavias declares: "We are only a few technical steps away from our objective of reach-



The Greek banking system contains four systemic banks



**Costas S. Mitropoulos**  
Chairman of the Board, Attica Bank

ing a non-performing exposures ratio below 16% by the end of the first quarter of 2020 and moving into single digits by the end of 2021. Just a couple of years ago, our NPE ratio was in the mid-forties." However, Karavias urges caution over laying too much blame on NPLs: "There is a perception in the market that Greek banks are not financing the economy adequately because of the high stock of NPLs. This is more of a myth than a reality. The balance of performing loans that is the right met-

ically behind the competition and due to the high cost of capital they are unable to catch up. According to Mitropoulos, "SMEs' stagnation is the real obstacle to a fast-growing economy."

However, for Pavlos Mylonas, CEO of the National Bank of Greece, the central cog in a healthy economy is not the number of startups that go to the next stage. "That's where we can help as banks; getting the firms from the startup stage to the more mature one, with more critical mass," he says. "Our new government is very investor friendly and attracting investments has so far been the missing piece in our country's growth story," adds Mylonas.

**NPLs are a strong contributing factor to keeping the cost of capital high in Greece. We need to get rid of NPLs in order to reduce the cost of capital."**

Costas S. Mitropoulos, Chairman of the Board, Attica Bank

Indeed, Greek banks are gradually shedding them from their balance sheets by securitizing large deals. To accelerate the shift, the country has proposed an asset protection program, dubbed Project Hercules, which plans to provide as much as €9 billion in state guarantees to help banks offload up to €30 billion of sour loans weighing on their balance sheets.

"The new asset protection scheme could be helpful," Mitropoulos says. "It will support the system in reducing NPLs even

ing a non-performing exposures ratio below 16% by the end of the first quarter of 2020 and moving into single digits by the end of 2021. Just a couple of years ago, our NPE ratio was in the mid-forties." However, Karavias urges caution over laying too much blame on NPLs: "There is a perception in the market that Greek banks are not financing the economy adequately because of the high stock of NPLs. This is more of a myth than a reality. The balance of performing loans that is the right met-





Feta cheese is one of Greece's most famous and popular export products



The internationally recognized brand Iliada's portfolio of olive products

## Greek food seduces global palates

Greece's large diaspora has greatly helped spread the wonders of traditional Greek cuisine and its unique tastes generated from agricultural producers who put quality before quantity.

As one of Europe's traditional breadbaskets, Greece's favorable crop-growing climate and fertile soils mean its farming sector and food industry are at the heart of economic well-being and employment. According to auditing and multinational professional services network PricewaterhouseCoopers (PwC), agriculture represents

based on small, family-owned units. In order to produce greener, more intelligent, and more precise agriculture the country has created a financial initiative with the European Development Fund to secure €400 million loans at low interest rates for farmers. "Although Greek food products are of high quality, they need to be branded further to add value — that's one of the main challenges we have right now," says Makis Voridis, Greece's Minister of Rural Development and Food. "Branding goes hand in hand with protecting the quality of the product and ensuring the consumer purchases an authentic product," he adds.

**Greece is a country of uncompromised quality agricultural products, a place where authenticity, tradition and ethos are the number one priorities."**

Jenny Gyftea  
Vice President, Agrovim

only 4.1% of gross domestic product, but employed 11.9% of the labor force in 2019. PwC notes the industry also accounts for 30% of manufacturing activities in Greece, making it the largest industrial sector, with food shipments representing more than a third of all exports.

Despite these impressive figures, Greek agricultural production still relies heavily on European subsidies and agriculture remains

### Greek green gold wins awards

Traditional Greek food products that supermarket shelves offer throughout the world range from feta cheese, Greek yogurt, retsina wines and, of course olive oil — dubbed green gold. Greece is responsible for just 6-7% of global olive oil production, but its popularity in a highly competitive market is testament to its authentic, superior taste. In the coveted 2019 Extra Virgin Olive Oil (EVOO) World Ranking, Greek olive oil captured 34 classifications as "EVOOs of the Year".



Makis Voridis  
Minister of Rural Development and Food

One of the best ambassadors for the product is certainly Agrovim. The company produces an impressive range of award-winning, quality products under the brand name Iliada that are much sought after by top restaurants and people after prime, authentic ingredients. Among many other accolades, its single estate EVOO won a U.S. Specialty Food Association silver Sofi award in 2019. Focused on the demanding U.S. market, Agrovim has benefited from the exemption in retaliatory tariffs, unlike its larger Spanish and Italian rivals.

"The exemption gives Greece an opportunity to strengthen its presence in the U.S. and compete on more even terms with other companies who sell blended or treated olive oils at low prices," explains Agrovim's vice president, Jenny Gyftea. "The U.S. is our number one market. Demand for quality olive oil is increasing and



Jenny Gyftea  
Vice President, Agrovim

we have established strong collaborations with U.S. importers and distributors. People approach us seeking quality and authenticity first, and competitive pricing second. An educated client is our best client; the more demanding they are, the stricter quality regulations and checks imposed in the U.S., the stronger our brands become."

Another highly successful prime food exporter is the diversified Hellenic Dairies, which hand picks farmers and sources "to ensure its consumers receive truly fresh Greek products," CEO Michalis Sarantis explains.

Palirria, the world's biggest vine leaves producer, is another firm that takes its role as a food ambassador very seriously. "Greek food means culture. It's a dream, and we try to move from the everyday cuisine to provide an experience for the consumer," admits CEO, Dimitris Vidakis.



**"Come to Greece, explore Greece at a different time, in a different place and in a different way than you normally would have done. I can promise you that you will be positively surprised and that you will experience much more than you expect."**

Harry Theoharis  
Minister of Tourism

**"2020 will lay the foundations of a new era in Greece. The region of Attica, the largest among Greece's 13 regions, can and must play a leading role at all levels, supporting development, improving the daily life of citizens, protecting the environment, enhancing social cohesion and solidarity."**

George Patoulis  
Attica Regional Governor

**"The new government is business- and investment-friendly and has already unblocked some landmark projects with an ambition to substantially increase foreign investment. This approach has already improved the broader investment profile and attractiveness of the country and is creating a virtuous circle."**

Marios Psaltis  
CEO, PwC Greece

**"Greece is coming back with a strong knowledge of what happened during its 10 years of crisis. People were trained and suffered a lot over that decade. Now we know exactly what we have to do as a nation."**

Evangelos Gizelis  
President and CEO  
Gizelis Robotics

**"Greece has been here for thousands of years and there is no better time to invest in the country than now. Everything had hit rock bottom and, right now, we're on the brink of witnessing the spark that will ignite everything."**

Anastasios Spanidis  
CEO, Generation Y

**"People in Greece, especially the younger generation, are now more willing than ever to learn, change, develop new capabilities and use their talent to pursue a better life."**

Zachary Ragousis  
President and Managing Director  
Pfizer Greece



AEGEAN  
ISLANDS  
LIKE  
NO OTHER

#aegeanlikenoother

JOIN  
THE CAMPAIGN  
SHARE  
THE SUNSHINE

With buildings in technicolour and a treat for the artistically inclined, where else can you get so vivid a picture of the authentic Greece?

# DESIGNS ON A WONDERFUL HOLIDAY - KASTELORIZO -

GREECE

