



Investment Incentives through the New Greek Development Law

Angelos Manglis
Founder – V.P. of Atlantis Consulting SA
Hellenic Mobile Cluster Facilitator
Manager of Adrion BAN

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Targets

Main **targets** of the New Greek Development Law:



- Investment Reboot
- Promoting developmental stability
- Reindustrialization
- Increase in employment growth with emphasis in specialized human resources.

Achieving targets

These **targets** can be reached through:

- Technological Upgrade
- Formation of a new extrovert national branding
- Improvement of country's competition status in high added value and intensive knowledge sectors
- Movement of value production chain towards more complex products and supply of improved services.



Special funding categories based on 2 criteria groups

Geographical

- Mountainous Areas
- Areas of great population reduction
- Border areas
- Small islands
- Investment plans implemented by organized receptors

Type /Performance

- Extrovert
- Innovative
- Dynamic in terms of employment growth
- Resulted from mergers
- Low ecological footprint
- Create high added value
- Associations - ICT Sector

Sectors & Activities in Priority for Funding

- Material - constructions
- Health sector - Pharmaceuticals
- Energy
- Logistics
- Environment & Sustainable Growth
- Tourism – Culture – Creative Industry
- ICT
- Agrifood

New “branding” of Greece

example

- 1st Software Engineering made in Greece
(Greece becoming a pole for attracting ICT investments)
- Agri – food processing chain (from farm to tourism)

Own Contribution

Own contribution cannot be below 25% of the investment plan and can be covered :

- By increasing share or corporate capital from new cash contributions.
- By the current consumption of taxed reserves.
- By the consumption of available cash of the company
- By bank loans or by other financial institutions or bond loan issued by public or non registry

Criteria for Approval

Point System Criteria

- Financial performance
- Available funds of shareholder/partner
- Own contribution by foreign funds
- Financial Analysis
- Creation of job positions
- Investment Plans which belong to special funding categories
- Utilization of unutilized buildings

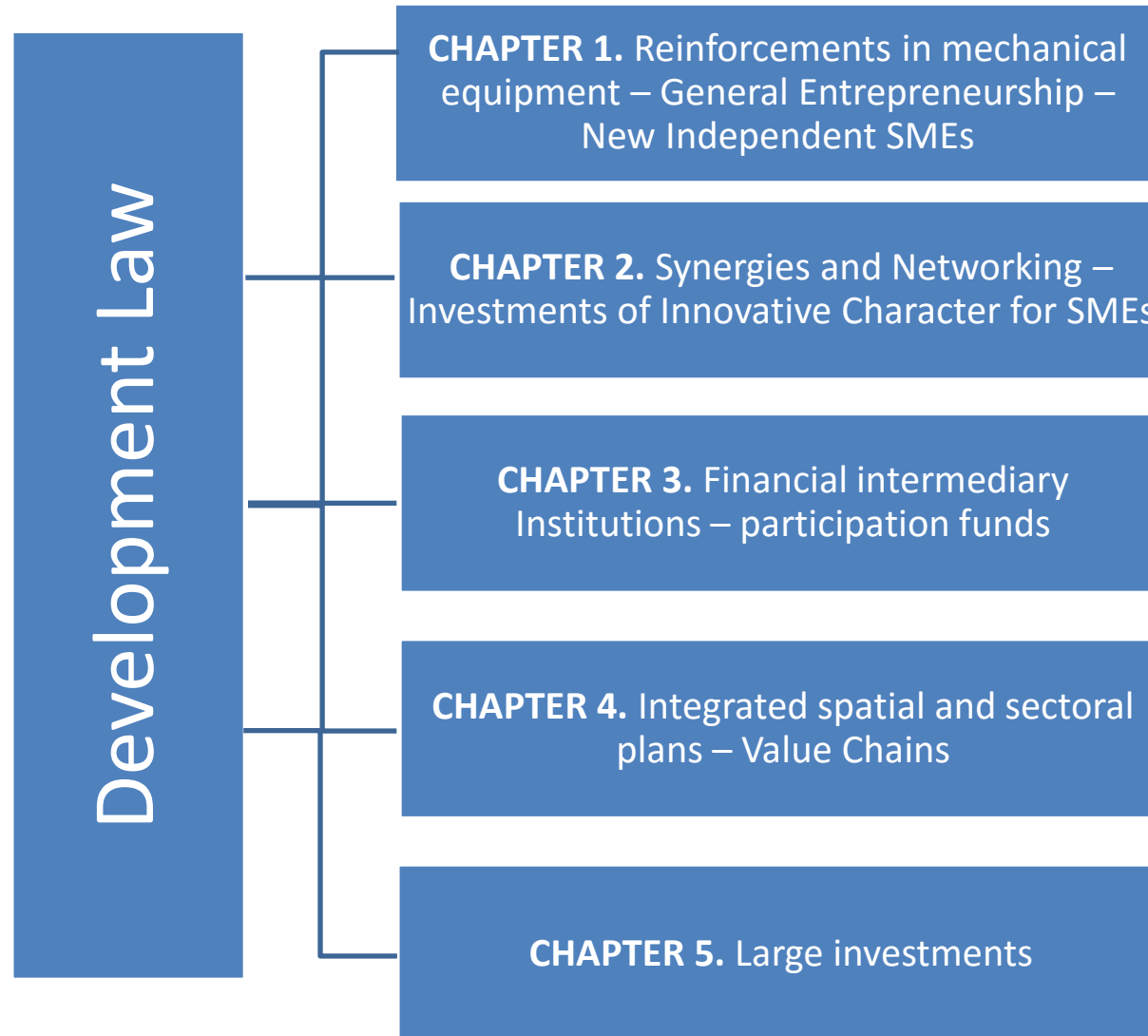
Types of Support

- Tax exemption
- Funding of covering eligible costs
- Funding of leasing
- Interest rate subsidy
- Offsetting tax debts
- Wage cost subsidy
- Other Funding tools
- Stable tax system



Structure

The Greek
Development
Law is
structured in
5 chapters:



Reinforcements in mechanical equipment

- No limits to Company Size and Age
- Funded expenses
 - ❖ New or used mechanical equipment (purchasing or leasing)
 - ❖ Purchasing new transport means
- Types of Support
 - ❖ Tax exemption
 - ❖ Leasing of Special funding categories

General Entrepreneurship

- No limits to Company Size and Age
- Funded expenses
 - ❖ New or used mechanical equipment (purchasing or leasing)
 - ❖ Purchasing new transport means
 - ❖ Building construction
 - ❖ Purchasing non-operating companies
- Types of Support
 - ❖ Tax exemption
 - ❖ Financial leasing
- The upper limit of support is 5.000.000

Chapter 1.3.

New Independent SMEs

■ Criteria for Approval

- ❖ SMEs
- ❖ New Established companies
- ❖ Independent

■ Funded expenses

- ❖ New or used mechanical equipment (purchasing or leasing)
- ❖ Purchasing new transport means

■ Types of Support

- ❖ Tax exemption
- ❖ 70% of the maximum allowance subsidy level in each geographical regions funding of covering eligible costs
- ❖ Funding of leasing
- ❖ Interest rate subsidy
- ❖ In the special categories we have 100% of the maximum allowance subsidy level in each geographical regions funding of covering eligible costs

Synergies and Networking

■ Types of Support

- ❖ Tax exemption
- ❖ 100% of the maximum allowance subsidy level in each geographical regions funding of covering eligible costs
- ❖ Funding of leasing
- ❖ Interest rate subsidy

Chapter 3

Investments of Innovative Character for SMEs

■ Goal

- ❖ Introduction and participation of Greek Public Sector in the capital funds

■ Targets

- ❖ Creation of new companies and enlargement of the strong existed ones
- ❖ Restructuring of viability companies
- ❖ Development funds market for SMEs
- ❖ Improvement of companies' competitiveness

■ Criteria for Approval

Enterprises and synergies participating in sectoral or local production systems or production chains which are able to grow at regional or cross-regional level

The funding scheme refers to integrated funding program

■ Criteria for Approval

- ❖ Investment plan more than 20.000.000 €
- ❖ Creation at least one working place per 1m €

■ Types of Support

- ❖ Stable tax system for 7 years
- ❖ Licensing process acceleration through Ministry of Economy

Basic Conclusions of the previous Development Law

- The high technology or intensive knowledge Investment Plans create higher employment growth
- In the Development Law N.3908/11 7,2% of the companies selected as incentive that of Tax exemption
- 92% of the investment plans has been supported with the amount of 5million



Thank you

Angelos Manglis
*Founder – V.P. of Atlantis Consulting SA
Hellenic Mobile Cluster Facilitator
Manager of Adrion BAN*

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