

Greece: A newly introduced bill is speeding up investment processes

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A Draft Law titled *"Strategic investments and improvement of the investment environment through the acceleration of processes in private and strategic investments and establishing a framework for spin-offs"* was introduced in Greek Parliament on 23rd November 2021, aiming to speed up the approval process of private and strategic investments.

It aims to:

- **One sole piece of law**

The first two parts of the Law combine the two basic investments laws (4608/2019 and 3894/2010) into one law, resolving, therefore, the issue of their parallel and sometimes conflicting regulations and creating clarity for investors. The new law shall create a unified institutional framework and therefore the process of legal redress by strategic investors will be improved.

- **Strategic Investments**

The concept of Strategic Investment had been already introduced in legal regime, as those investments, that, due to their strategic importance for the national and/or the local economy, resulted in both a quantitative and qualitative impact of significant intensity in the increase of employment, productive reconstruction and promotion of the country's natural and cultural environment, featuring extroversion, innovation, competitiveness, all-encompassing planning, and saving of natural resources under the cyclical economy perspective and high added value, particularly in the economic activity sectors of internationally marketable products or services.

Now, the new Bill makes it easier for smaller-scale investments to qualify as a strategic since the required financial figures are reduced. Apart from tax incentives (being already in place), also provisions for financial subsidies are being

introduced for special investment categories. Also, the Bill includes new categories of strategic investments in modern sectors of the economy: it promotes research and development, biotechnology, robotics, artificial intelligence, space industry, digital business transformation, cloud computing, data centers, permanent film production facilities (studios), medical tourism, agri-food, and waste management, Business Parks and Major Projects of Common European Interest (IPCEIs).

In addition, a new category is being introduced, namely the “Emblematic Investments of Special Importance”, being linked to resources coming from the Recovery Fund and targeting to promote, innovation, technology, as well as an economy with low energy and environmental footprint.

- **New types of activities for private investments**

The Draft Law improves the provisions of law 4399/2016 on private sector investments, making more attractive the subsidy regime. Also, recognizing, both the investors’ interests, as well social needs, new activities are being now introduced. In particular, youth hostels establishments

are facilitated, social care facilities (nursing homes) are now introduced, wholesaling activities in the pharmaceutical sector.

- **Speeding up procedures**

Both the investment evaluation process, as well as its ongoing monitoring, are targeted to be faster and more efficient:

(i) Time limits are being introduced for the first time. Specific deadlines are set for the evaluation and control of the implementation of the investment plans. Evaluation procedures will be therefore accelerated.

(ii) The bodies from which the members of the Evaluation Committees will come are expanded (e.g. certified auditors).

The new provisions come to solve a long-standing problem: the procedural delays were a deterrent factor especially for middle-sized businesses, seeking support. The new procedures shall bring speed, clarity, reinforcing undistorted competition, as well.

- **Spin-offs of academic & research institutions**

The proposed provisions create a systematic, improved legal regime for

spin-offs. The environment is now mature in Greece and ready to link research with the market, liaise IP rights with production, so that knowledge will be exploited in the production line. Academics and researchers can participate in the profit-making spin-offs, together with investors, participate in their profits, and attract further investors. The spin-offs can also have their registered seat in another country, establishing a branch in Greece.

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