



Development Law 2021



Due to COVID-19 the pillars of Greek economy, as tourism and transportation services, were severely damaged leading to an increase of our national debt and a higher percentage of non-performing loans. This led to an insecure and lacking credibility environment for national and international investors as well. The new Development law aims to create fast track and effective procedures of evaluation, review and implementation of investment plans, GDP growth, new vacancies and development of our export activity.

Focus Areas



Green Transformation

- 2030 Climate and Energy Framework
- 2050 EU Climate-Neutral Goal



Digital and Technological Transformation



Innovation, research and development



Categories of expenses

Category 1: Investment expenses in tangible assets

- The construction, expansion, modernization of **building facilities**, special and auxiliary facilities of buildings, constructions to ensure accessibility to people with disability, as well as landscaping.
- The purchase of all or part of the **existing fixed assets**, such as buildings, machinery and other equipment, business establishment
- The purchase and installation of **new modern machinery and other equipment**, including technical installations and moving vehicles within the premises of the integrated unit.
- **Leasing of new modern equipment** and other equipment, the use of which is obtained
- The **modernization of special facilities** (not related to buildings) and engineering facilities.

Category 2: Investment expenses in intangible assets

- The **transfer of technology**, through the purchase of intellectual property rights, licenses exploitation, patents, know-how and non-proprietary technical knowledge
- **Quality assurance and control systems**, certifications, supply and **installation software** and **business organization systems**.

Category 3: The wage cost of new jobs created

The vacancies that were created as a result implementation of the investment plan is calculated for two (2) years from the creation of each position. The above salary cost is an eligible expense only independently and not in combination with category 1 and 2



Funding Types

1. Tax exemption: exemption from the payment of income tax on pre-tax profits, which arise on the basis of the relevant tax legislation, from all the activities of the company, minus the tax of the legal person or legal entity corresponding to the profits distributed or undertaken by the partners.

2. Grant: which consists of the free provision by the State of a sum of money, to cover part of the supported costs of the investment plan and is identified as a percentage of them.

3. Leasing subsidy: which consists of coverage by the State part of the paid leasing instalments, which is concluded for the acquisition of new mechanical and other equipment, is determined as a percentage of their acquisition value and is included in the instalments paid.

4. Subsidizing: the cost of employment created, which consists of covering by the State part of the wage costs of the new jobs created and linked to the investment plan and for which no other state aid is received.

5. Business risk financing: in accordance with the provisions of Chapter I concerning the "New Business" status.

- Type 1,2,3 can be provided individually or in combination and are taken into account to determine the total amount of aid of each investor design.
- Type 4 is provided only individually for the category 3 expenses

National Funding Areas

1. Digital and Technological Transformation

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Direct

2. Green Transformation – Enterprises' Environmental Transformation

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Direct

3. “New Business”

- Categories of expenses : All
- Funding Type: 2,5
- Evaluation Type: Comparative

4. Research and applied Innovation

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Direct

5. Fair Development Transition

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Direct

6. Processing–Supply Chain

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Comparative

7. Business Extroversion

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Comparative

8. Entrepreneurship 360

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Comparative

9. Agriculture–Primary Production and Processing of Agricultural Products–Fisheries

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Comparative

10. Support on Tourism Investments

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Comparative

11. Alternative Forms of Tourism

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Comparative

12. Large Investments

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Direct
- Rapid licensing process

13. European Value Chains

- Categories of expenses : All
- Funding Type: 1,2,3,4
- Evaluation Type: Direct

Investment entities that are established or have a branch in the Greek Territory at the time of commencement of works of the investment plan and have one of the following forms:

- a. **Commercial company,**
- b. **Cooperative,**
- c. **Social Cooperative Enterprises** (Koin.S.Ep.), Agricultural Cooperatives (AS), Groups Of Producers (PO), Urban Cooperatives, Agricultural Partnerships (AES),
- d. **Companies under establishment or merger,** with the obligation to have completed the procedures for publicity prior to the commencement of work on the investment plan,
- e. **Consortia engaged in commercial activity**
- f. **Public and municipal enterprises and their subsidiaries,** provided that:
 - they have not been assigned a public service
 - the supply of services is not exclusively entrusted to them by the state
 - their operation is not subsidized with public resources for the period of their maintenance long-term obligations referred to in Article 22

Minimum amount of investment plans

- a. amount of one million (**1,000,000**) euros for **large companies,**
- b. amount of five hundred thousand (**500,000**) euros for **medium-sized enterprises,**
- c. amount of two hundred and fifty thousand (**250,000**) euros for **small businesses,**
- d. amount of one hundred and fifty thousand (**150,000**) euros for **very small enterprises,**
- e. amount of fifty thousand (**50,000**) euros for the Social **Cooperative Enterprises**(Koin.S.Ep.), as well as the Agricultural Cooperatives (AS), the Urban Cooperatives, the Producer Groups (POs) and Agricultural Partnerships (AES)

Step 1 : File the application

Required Content

The funding application shall include at least the following information:

- a. The name and size of the company,
- b. a description of the project, including estimated start and deadline dates,
- c. the place of execution of the project
- d. the list of project costs
- e. types and amount of funding
- f. the financial scheme of the investment plan.

Where to file your application ?

The application for membership and the required supporting documents must be submitted through the Development Law Information System

- a. Eligible investment projects of up to one million (1,000,000) euros, which are implemented within the boundaries of each region, are submitted to the Directorates Development Planning of the regions of the country
- b. all other investment plans are submitted to the General Directorate of Private Investments of the General Secretariat for Private Investments and Public-Private Partnerships (PPP) of the Ministry of Development and Investment.

Step 2: Evaluation

Evaluation Content

a. Legitimacy check:

- aa. Full compliance of the application form and the approved investment plan with the stated in this law,
- αb. documentation of the solvency of the body of the investment plan, by presenting the relevant certificates, in particular tax and insurance record, as well as any other document specified in the notice of notification
- ac. documentation of the possibility of financing the costs of the investment project through own funds or with external financing, in accordance with the methods set out in relevant decision announcing the aid schemes.

b. Evaluation of reasonable costs and control of scores, criteria of these may be

- βα. the assessment of the reasonable cost of the eligible costs of the investment plan,
- bb. the assessment of the submitted viability analysis of the investment plan,
- bc. the completion of score indicators

a. Direct Evaluation

DDL for finalization : 30 days

b. Comparative Evaluation

DDL for finalization : 45 days

Evaluation procedures

Step 3: Decision and Implementation Review

Step 4: Completion of investment plans and start of productive operation

- The investor submits an application electronically through his Information System Development Law for certification of completion and the commencement of productive operation of the investment no later than sixty (60) days from the expiration of the deadline for completion of the investment.
- With the decision to complete and start the productive operation of the investment the time of completion of the investment plan and the final amount of aid are determined.

How can we help?

If you are a Greek or a foreigner investor we can consult you and assist you throughout the whole procedure of application, evaluation and implementation.