



ENTERPRISE GREECE
INVEST & TRADE

NEWSLETTER AUGUST 20

**RECORD FRUIT
EXPORTS**

**SILVER ECONOMY
INCENTIVES**

**CRETE POWER
PROJECT**

Greek fruit exports set new records amid coronavirus pandemic

Greek fruit exports are setting new records as consumers worldwide shift to healthier diets amid the coronavirus pandemic and increasingly seek out quality food products from trusted producers.

Exports of Greek oranges, lemons, kiwifruit, cherries, watermelons and strawberries have all seen a rise in the past several months – up between 3% and 85% compared with last year’s already record volumes – to set new highs this year. Overall, fruit exports are up more than 15% in volume and more than 25% in value terms according to the latest official data.

Particularly strong growth has been witnessed in oranges, lemons and kiwifruit, known for their high vitamin C content, which many medical studies have linked to boosting the immune system. According to forecasts, Greece is on track to become the world’s third largest exporter of kiwifruit in 2020 – up from fourth place last year – behind only Italy and New Zealand.

Consumer demand for Greek fruit – but also other fresh produce – has been growing because of its trusted origin and the quality of the product, say experts, with notable increases to destinations like France and Germany.

“The importance of maintaining a healthy diet will be reinforced by the pandemic and with it the consumption of fruits and vegetables. The nutritional value is a significant factor, while the origin and traceability explains the increase in demand,” says George Polychronakis at Incofruit-Hellas, the Greek fruit and vegetable exporters’ association. *“Consumers want to know where the produce comes from.”*

Greece has been lauded internationally for its quick response to the crisis. With about 9,000 cases and fewer than 300 deaths so far, Greece’s image as a safe place – and home to the healthy Mediterranean Diet – has gained prominence.

Despite a sharp slowdown in overseas visitors this year, fresh week-by-week estimates show that foreign demand for Greek fruit exports have continued to grow through the summer months, including for produce just coming into season.

Greek Exports and Consignments of Fruits and Vegetables

Week until:	— 24/07/20 —		— 31/07/20 —		— 07/08/20 —		— 14/08/20 —		
	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	
Oranges	288.179	320.019	288.854	320.942	289.366	321.828	289.997	322.631	11.3%
Lemons	10.716	13.281	10.900	13.584	11.012	13.732	11.195	13.943	24.5%
	2019	2020	2019	2020	2019	2020	2019	2020	
Peaches	64.787	60.611	70.345	68.852	76.504	77.688	83.177	85.945	3.3%
Water melons	164.109	185.772	167.128	189.911	169.743	193.901	171.360	197.332	15.2%
Cherries	26.040	37.668	26.314	38.556	26.643	38.892	26.467	38.927	47.1%
Nectarines	50.783	31.806	54.796	36.628	58.709	42.875	62.385	47.926	-23.2%
Apricots	21.189	19.502	21.575	19.981	21.935	20.387	22.245	20.542	-7.7%
Table grapes	742	746	2.022	1.835	3.944	4.330	7.083	8.837	24.8%

news in **brief**

Maritime Zones

Greece and Egypt reached an agreement delimiting a portion of their respective exclusive economic zones in the Eastern Mediterranean, setting the stage for future commercial exploitation of natural resources in the region. The agreement was the culmination of 15 years of negotiations between the two countries, and follows a similar agreement in June between Greece and Italy in the Ionian Sea.

Strategic Investments

Greece's inter-ministerial committee for strategic investments has approved eight tourism related projects with a combined budget of €1.1 billion. The eight projects include three in western Greece, one in the northeastern Peloponnese, three projects in the Cyclades and one in Crete. Combined, the eight projects are expected to create 3,300 jobs.

Investment Incentives

Greece has increased the amount of incentives available for new investments this year under the Development Law by €500 million to €1.15 billion. The incentives encompass a range of tax measures and subsidies for businesses to invest in new projects, equipment and jobs.

Renewable Energy

Greek wholesale prices for renewable energy fell sharply at public auction last month amid strong bidding from producers for the 20-year contracts. According to the Regulatory Authority for Energy, the auction saw an 11.6% decline in wind power prices and a 20.9% drop in solar power prices. A total of 472 MW of wind power and 142 MW of solar power contracts were awarded to the winning bidders.

Cruise Tourism

Greece reopened six of its main ports to cruise ships August 1 after closing them to foreign visits following the outbreak of the coronavirus pandemic earlier this year. The six ports include the port of Athens at Piraeus, Rhodes, Heraklion, Volos, Corfu and Katakolo in the western Peloponnese.

Growth Sectors

Greece should further develop its infrastructure and transport sectors, its agro-food industry, its manufacturing base and its tourism sector as future growth drivers of the economy, according to an interim report by a panel of experts. The panel, chaired by Nobel Prize-winning economist Christopher Pissarides, also suggests a range of reforms, from tax cuts to investment incentives, to help boost productivity. The final report is expected in September.

Retail Trade

Greece will liberalize restrictions on retail trade in the historic center of Athens from November next year, allowing stores in the area to open seven days a week, all year round. Currently, shopkeepers in the districts near the Acropolis and Syntagma Square are only allowed to open on Sundays during the spring and summer tourism season.

Celebrity Citizenship

U.S. film actor Tom Hanks and his wife, Rita Wilson, have been officially made citizens of Greece. The couple are long-time owners of property on the island of Antiparos and have produced several films featuring Greece or Greek themes such as My Big Fat Greek Wedding and Mamma Mia! Wilson, who is of Greek heritage, was previously commemorated on a Greek postage stamp.

Greece offers new incentives to tap Silver Economy

The Greek government is planning incentives for foreign pensioners to establish second homes and tax residency in Greece as part of the country's efforts to tap into the fast-growing Silver Economy.

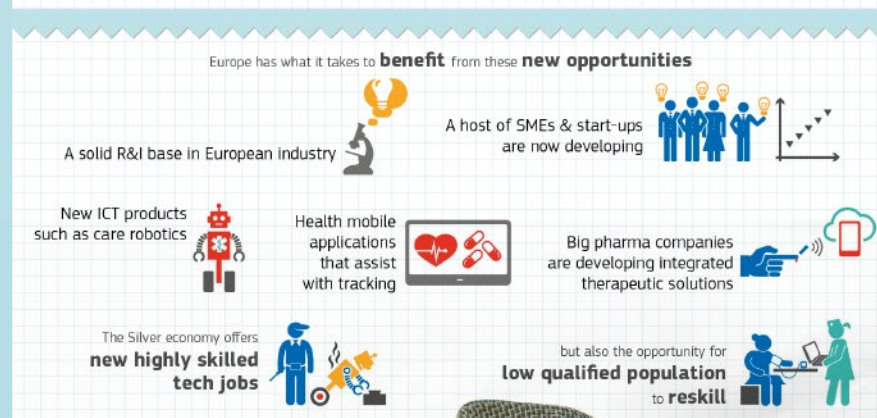
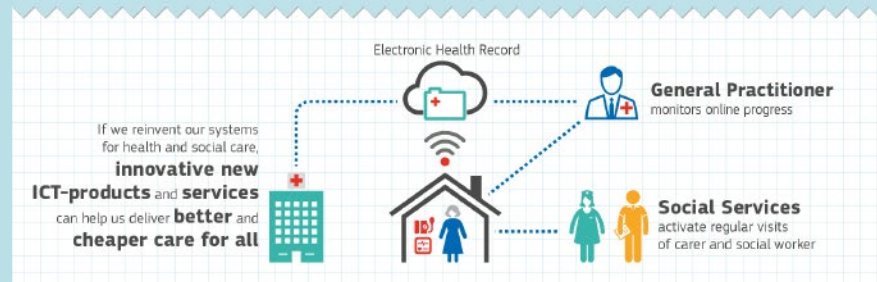
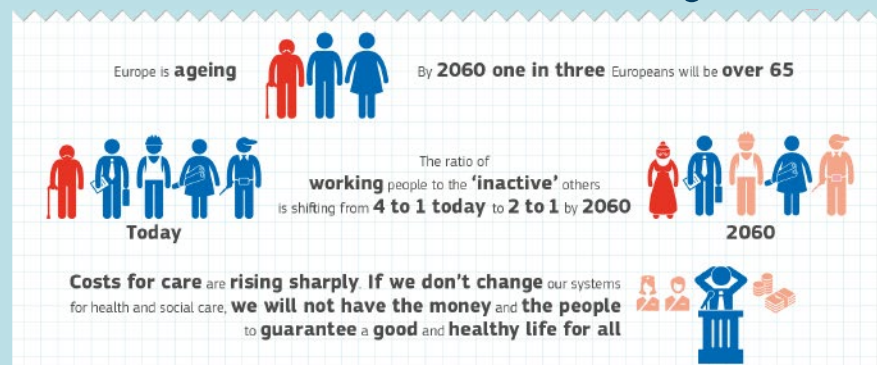
The European Commission estimates that by 2025, the needs and demands of Europe's seniors will grow to €5.7 trillion, up from more than €3.7 trillion now. By 2060, one in three Europeans will be over the age of 65.

With its sunny climate and home to the healthy Mediterranean diet, many analysts say Greece has the potential to become the Florida of Europe. The Greek government's effective handling of the coronavirus pandemic has also further raised Greece's profile as a retirement destination.

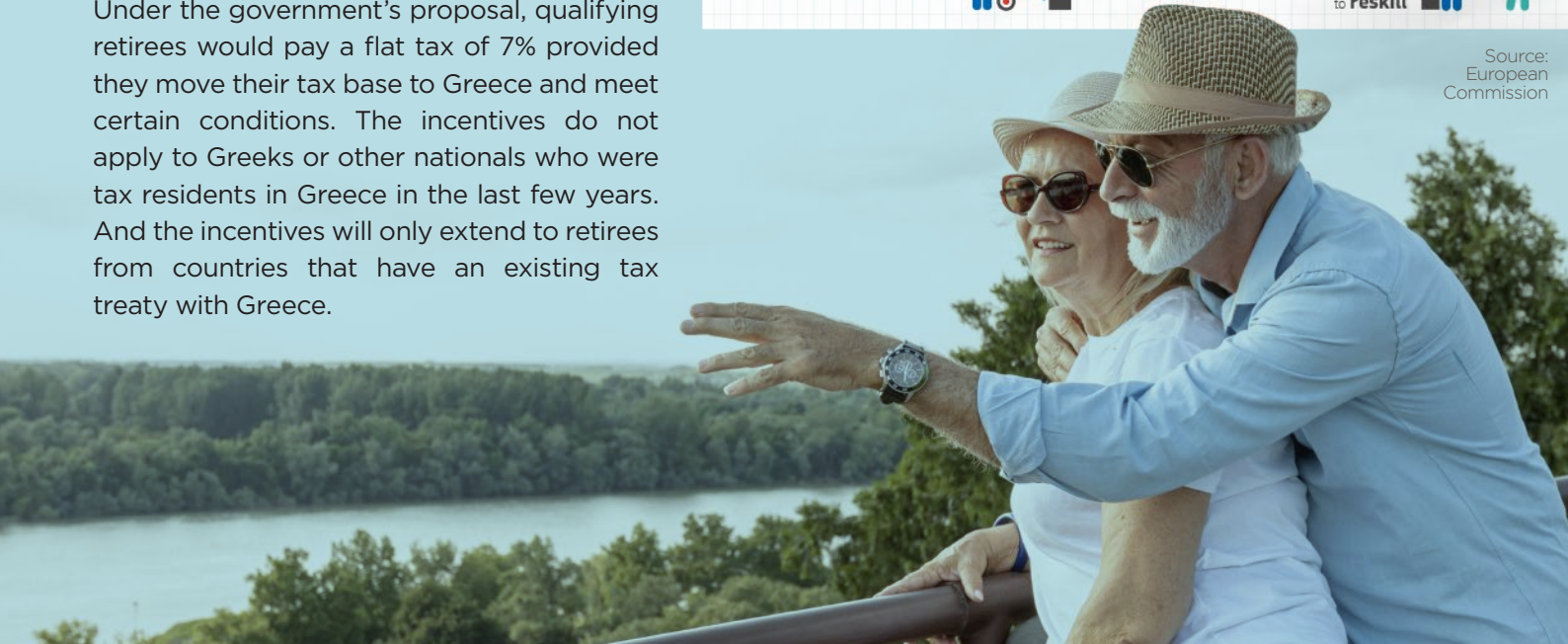
"As people understand that this is a country that is actually well-run, with a well-functioning public health system, they will be more encouraged not just to come to Greece for holidays, but also to come to work in Greece, or spend more time and live in Greece, and buy property in Greece," said Prime Minister Kyriakos Mitsotakis recently. "The whole Silver Economy is offering tremendous opportunities for a rebranded Greece."

Under the government's proposal, qualifying retirees would pay a flat tax of 7% provided they move their tax base to Greece and meet certain conditions. The incentives do not apply to Greeks or other nationals who were tax residents in Greece in the last few years. And the incentives will only extend to retirees from countries that have an existing tax treaty with Greece.

The Silver Economy



Source:
European
Commission





Greece begins work on €1 billion Crete power grid project

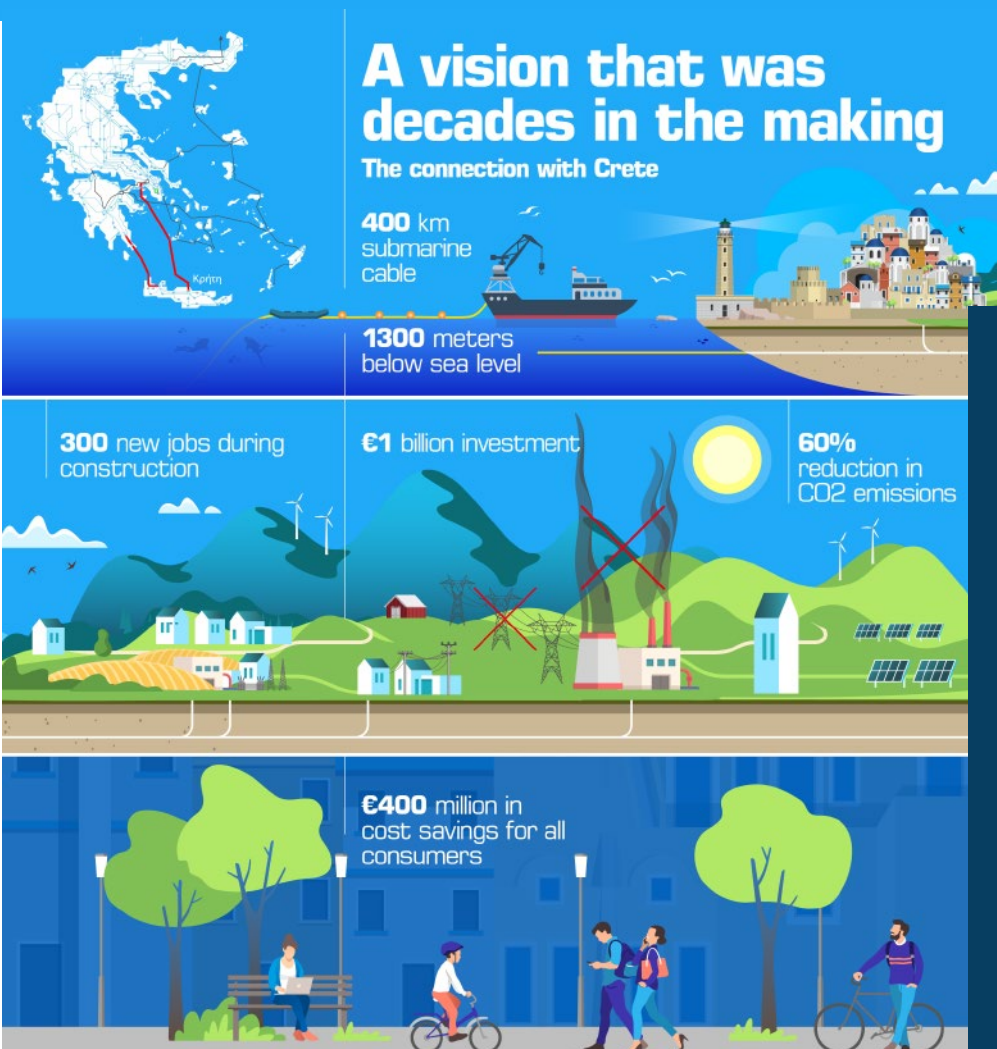
Work has begun on a €1 billion project to connect the island of Crete to the Greek mainland near Athens via a high-voltage, submarine cable – part of a multibillion euro effort by Greece to upgrade its power transmission system.

The project, to be completed by 2023, represents the largest ongoing infrastructure development in the country. It is expected to yield cost savings of €400 million per year and sharply reduce power-generated carbon emissions on Crete – now heavily dependent on imported fossil fuels for electricity production.

In June, Greece's grid operator, the Independent Power Transmission Operator (IPTO), signed €615 million worth of contracts for the submarine and onshore cables with companies from Italy, Norway and Sweden. A separate €370 million contract was signed with a German-Greek consortium for two converter stations and one substation.

IPTO plans to spend some €5 billion through 2029 to modernize the country's power grid. That includes a €365 million project for a lower capacity connection between Crete and the Peloponnese, and a €100 million project to connect the island of Syros in the Cyclades with the Greek mainland.

- Greece 2Q GDP provisional data (Sept. 4)
- Thessaloniki Helexpo Forum, Prime Minister's economic policy address, Thessaloniki (Sept. 5-13)
- EG Webinar: Opportunities in Tourism & Real Estate, London Chamber of Commerce (Sept. 24)



CONTACT US

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