



ENTERPRISE GREECE
INVEST & TRADE

NEWSLETTER
MARCH 19

**FINE GREEK
WINES**

**INVESTING IN
GREECE**

**YEAR IN REVIEW
2018**

Greek Wines

See Growing Overseas Demand, Premium Prices



Greek wines have been undergoing a quiet revolution as increasingly innovative and sophisticated Greek winemakers have focused on quality production and overseas markets, translating into growing foreign sales.

In the past five years, the industry has seen a rise in both export volumes and – more importantly – a rise in export value, with Greek wines increasingly commanding premium prices abroad. In Germany, the U.S., Canada, the UK and Japan – leading markets for Greek wine exports – the prices commanded by Greek wines have risen by more than 20% while export volumes have also grown.

Industry experts say that Greek wine has arrived. And today international sommeliers discuss the intricacies of Greek varieties, like a crisp white Moschofilero or a velvety red Aghiorgitiko, with the same seriousness devoted to the subtleties of vintage Burgundies.

Greece boasts more than 300 indigenous grape varieties and a great diversity of growing conditions – from the fertile plains of Macedonia to the arid, volcanic soil of Santorini. Beginning some four decades ago, new generations of Greek winemakers have placed their bets on perfecting the unique flavors produced by native varieties and terroirs rather than imitating international styles.

Greek wine exports have grown steadily as a result, especially to North America, the destination for roughly 70% of exports outside the European Union. But also in Germany, Europe's largest consumer market, which now takes 40%-50% of Greek wine exports.

A coordinated effort, over the last decade, to market and position Greek wine on international markets has also contributed to the recognition of Greek wines. In March, 100 Greek wine and tsipouro producers attended the Prowein 2019 exhibition in Germany -- Europe's pre-eminent trade fair for wine and spirits -- while in Athens, international buyers came from around the world to a special wine forum organized by Enterprise Greece. Last year, the agency also promoted Greek quality wines through a series of special tasting sessions abroad and wine master classes for foreign wine professionals.

GREEK WINE PRODUCTION



2,5 Million Hectolitres



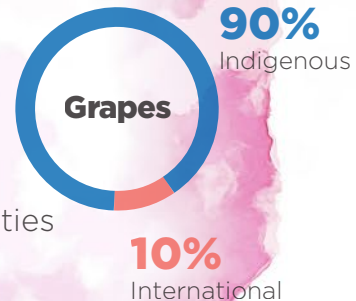
61,5 Thousand Hectars



1295 Wineries



300 Indigenous Grape Varieties



GREEK WINE EXPORTS



13% of total wine production



82,6 Million euro

MAIN EXPORT MARKETS

38,30% Germany

14,85% U.S.A

8,32% France

6,71% Cyprus

6,59% Canada

3,59% U.K.

2,95% Belgium

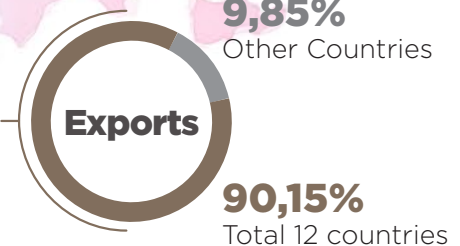
2,74% Netherlands

2,37% Italy

1,45% Austria

1,22% Australia

1,06% China



news in **brief**

Greek Bonds

Greece successfully issued a new €2.5 billion, 10-year government bond, its first since the country entered its protracted financial crisis in 2010. The bond issue, which was more than four times subscribed, was priced at a yield of just 3.9%, reflecting strong investor confidence in Greece's recovery and follows just weeks after the country returned to international bond markets with a seven-year issue.

Ratings Upgrade

International credit ratings agency Moody's raised its ratings for Greece two notches to B1 from B3 with a stable outlook declaring that the country's "ongoing reform effort is slowly starting to bear fruit in the economy." The agency added that Greece's "reform momentum appears to be increasingly entrenched, with good prospects for further progress and low risk of reversal."

Greek Economy

The Greek economy grew by 1.9% year-on-year in 2018, according to the latest data, confirming that the country's recovery remains on track. Exports and consumer spending helped support the recovery, which is forecast to accelerate further in 2019.

Crete Airport

Greece has signed a contract with a joint venture of India's GMR Infrastructure and Greek engineering firm GEK Terna for the construction of the new airport at Kasteli, Crete. The total cost of construction is estimated at €1.5 billion and is expected to create 1,500 jobs.

Fast Track

Greece's special, inter-ministerial committee on strategic investments has approved four new projects totaling €334 million for induction into the country's special fast-track process that is reserved for investments of strategic significance. The four projects include two hotel projects on Mykonos and Crete, a shopping mall in the northern suburbs of Athens, and the development of a municipal marina on Santorini.

Tax Cut

Greece will cut its tax rate on dividends by a third, part of the government's commitment to reduce the tax burden on both corporations and individuals. Under the initiative, the tax on dividends will fall to 10% rate from 15%.

Property Prices

After falling more than 40% from their pre-crisis peaks, Greek property prices have seen a slight upturn, according to the latest data. Nominal apartment prices rose 2.5% year-on-year in the last quarter of 2018, according to the Bank of Greece, and were up 1.5% on average compared with 2017.

Wind Energy

Greek wind energy capacity rose 7.2% last year to a total of 2,828 gigawatts, according to data from the Hellenic Wind Energy Association. In 2018, 191.6 megawatts of wind parks were installed in Greece, the association said and, as of the end of last year, 500 megawatts of new wind capacity was under construction and expected to come online within 18 months.

Foreign Investment in Greece Grows Further

For a third consecutive year, foreign direct investment in Greece has risen sharply reflecting growing interest by overseas investors in Greek assets ranging from renewable energy to food manufacturers.

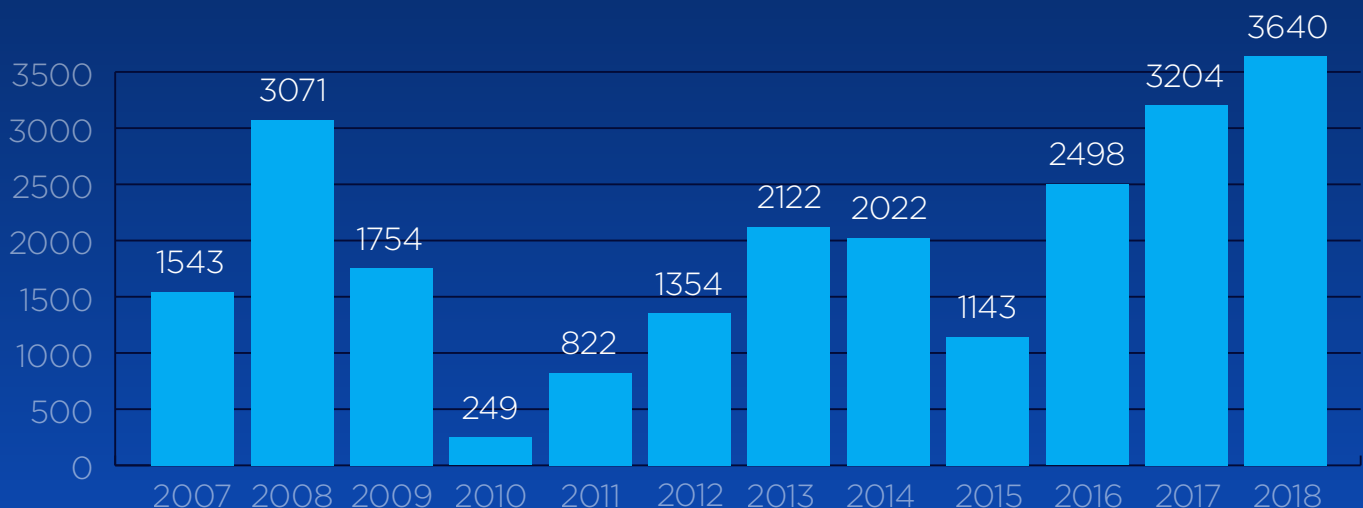
According to the latest figures from the Bank of Greece, FDI inflows in 2018 reached an historic high of €3.64 billion, a 13.8% increase from 2017. Overall, FDI has tripled between 2015 and 2018 and is on track for a new record in 2019.

Particular interest has been in Greek property assets where prices remain well below their pre-crisis peak and where investors are being lured by the country's booming tourism sector. One recent survey released at the International Hotel Investment Forum 2019 in Berlin showed Greece was among the two most popular destinations in the Mediterranean – and among the top 10 in Europe – for hotel investors.

At international property trade fairs this past month -- including the IHIF in Berlin and the MIPIIM property exhibition in Cannes -- Enterprise Greece-led national delegations saw strong investor interest.

But interest has extended to other sectors as well. German investments in Greece rose by €3.5 billion last year, according to recent report from the Hellenic-German Chamber of Industry and Commerce. According to the report, German firms invested in a range of sectors including agriculture and food, renewable energy sources, waste management and recycling, tourism, logistics, technology, retail and insurance.

Net Inflows of Foreign Direct Investment





Enterprise Greece Year in Review 2018

Promoting Investment

36 
investor events

participation in **26** 
informational events

hosting of **17** 
business missions involving foreign companies



strong promotion of the Golden Visa Programme through targeted events

 **1,200**
inquiries to the investor help desk resulting in:

Contact with **2,500** foreign investors and Greek companies, of which **31** companies proceeded with investment projects

Promotion of **66** targeted investment projects to foreign investors

Information provided to more than **1,000** inquiries

Exports

Total exports **33,417.9** ml. euro  **15.7%** increase compared to 2017
January-December 2018

International Trade Fairs - Food & Beverage

10 national delegations to major international trade fairs, with preparatory seminars and parallel promotional events.

400 exhibitors participated, resulting in more than **40,000** business contacts.

International Trade Fairs - Building Materials, Consumer and Industrial Products

37 international trade fairs with the participation of **400** Greek companies

Promotional Initiatives

networking **160** international buyers
340 Greek companies

more than **3,000** meetings through sectoral partnerships and business missions

3 press missions featuring Greek gastronomy and tourism in their home countries

188 quality Greek vintages promoted in 3 special wine tasting events abroad

300 foreign wine professionals participated in 4 master classes

- Enterprise Greece Seminar: Exporting to the European market, Athens (April 2)
- MosBuild, building and interiors exhibition, Moscow (April 2-5)
- Enterprise Greece Seminar: F&B Exports to Europe, Tripoli, Greece (April 3)
- Sea Asia 2019, international maritime and shipping fair, Singapore (April 9-11)
- Greek National Holiday: Good Friday (April 26)
- Greek National Holiday: Easter & Easter Monday (April 28-29)

CONTACT US

To learn more about the many investment and trade opportunities Greece offers, visit us today at www.enterprisegreece.gov.gr

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