

Greece. Business naturally.

Investment Incentives

Investment Incentives Law

Greece's Investment Incentives Law governs the terms and conditions of direct investment in Greece and provides for the incentives available to domestic and foreign investors. The incentives on offer are among the most competitive in the European Union.

Investment incentives are applicable to primary, secondary, and tertiary sectors and cover a wide variety of business activities. For the purpose of promoting investment in outlying and less developed regions of Greece, the country is divided into three zones, A, B, and C, with A being the most industrialised areas of Greece, including the prefectures of Attica and Thessaloniki, and zone C being the most remote and less developed.

Investors may take advantage of: cash grants or leasing subsidies, wage subsidies for employment created by the investment, or tax benefit of up to 60 percent of the overall investment cost.

Investment Incentives

For investment projects that fall under the provisions of the law, the following incentives are available:

Cash Grant, that covers part of the expenses for the investment project by the State; and /or

Leasing Subsidy, that covers part of the payable installments by the State relating to a lease that has been entered into for the use of new mechanical or other equipment; or **Wage Subsidy**, provided for employment created by the investment; or **Tax Allowance**, that allows income tax exemption on non-distributed gains. The allowance is effective upon completion of the investment for the first ten years of operation and is created through a tax-exempt reserve.

Terms and Conditions

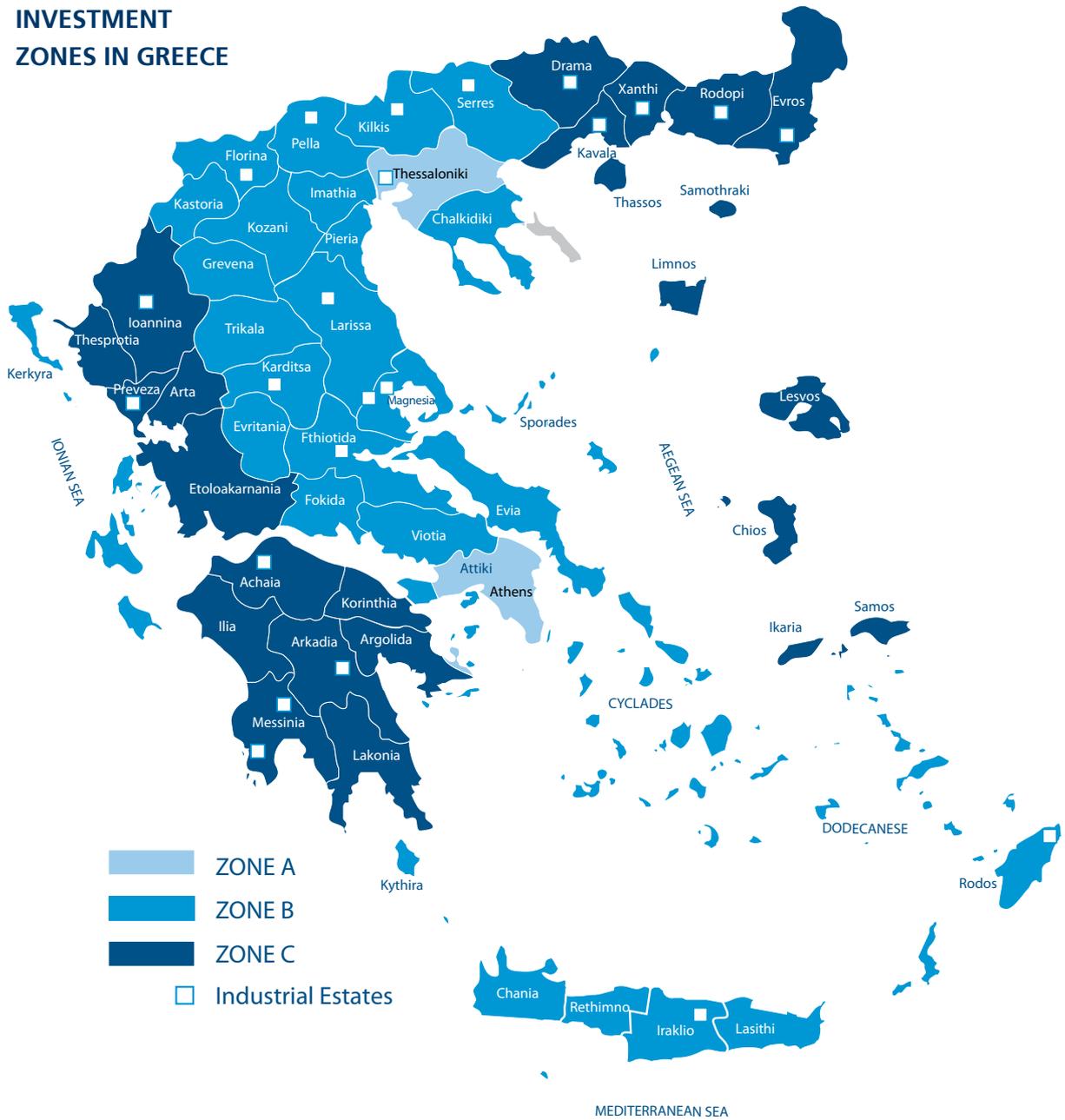
- Participation by the investor must be at 25% minimum
- Approval is given within two months from application
- 50% of cash grant is released upon completion of 50% of the project or advance payment with a bank guarantee and the remaining 50% is released upon full completion of the project
- Cash grants for wages are released every six months, following an application submitted by the investor

A summary of the Investment Incentives Law is available on the Invest in Greece website:

www.investingreece.gov.gr



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