



Greece

Population ¹	10,754,679
Area (km ²) ¹	131,960
GDP per capita (USD) ¹	18,883.46
TPES (Mtoe) ²	22.67
Energy intensity (toe/10 ³ 2010 USD) ²	0.09
CO ₂ emissions - energy (MtCO ₂) ²	63.10

Sources:

1. The World Bank 2017

2. ©IEA 2018, www.iea.org/statistics

Greece's overall risk level against the assessed areas is **very low**.

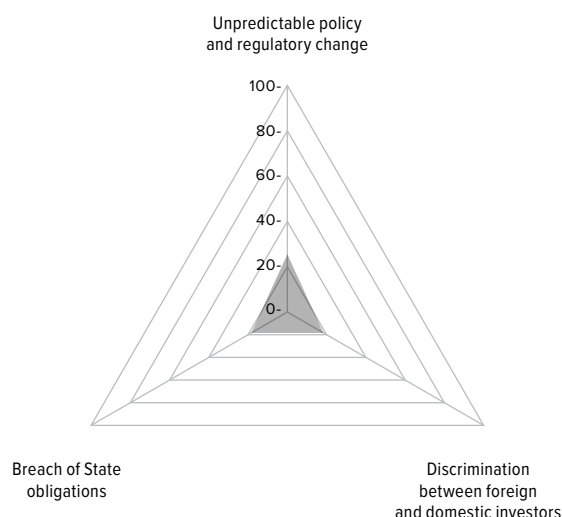
The risks *discrimination between foreign and domestic investors* and *breach of State obligations* are the lowest after their level has dropped compared to 2018. The level of *unpredictable policy and regulatory change* has gone down but it is again the highest risk area.

Greece has a very good performance on two indicators, and a good performance on two. It has maintained a score of 90 on *regulatory environment and investment conditions*. The performance on *rule of law* has improved by 5 points and stands at 82. On *management of decision-making processes* it has scored 75 as in last year's assessment. The score for *foresight of policy and regulatory change* has increased from 54 to 69 points.

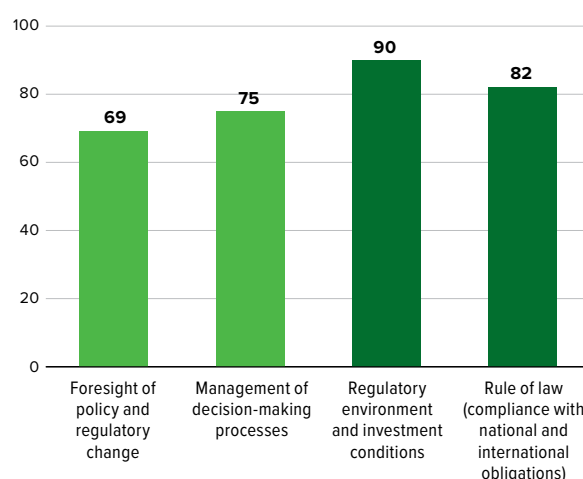
On a more detailed level, Greece's overall sub-indicator performance is good. The highest-scoring sub-indicator continues to be *regulatory effectiveness* with 94 points. It is followed by *restrictions on FDI* at 85 and *respect for property rights* at 83. The score for *management and settlement of investor-State disputes* has increased and is now at 80. *Robustness of policy goals and commitments*, *institutional governance* and *transparency* received 75 points each, for a second year. Performance on *communication of vision and policies* has significantly improved from 32 to 63 points.

Greece provides attractive conditions for investors and is working in the right direction. Attention should be given to better communicating the country's policies to investors.

RISK LEVEL



INDICATOR PERFORMANCE

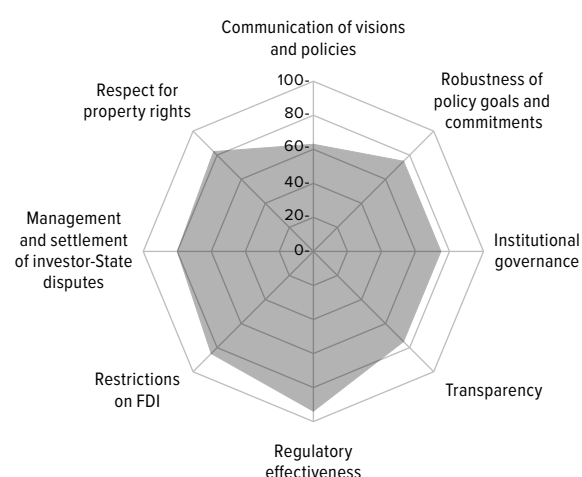


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019
Unpredictable policy and regulatory change	31	25
Discrimination between foreign and domestic investors	19	18
Breach of State obligations	23	18

INDICATORS	2018	2019
Foresight of policy and regulatory change	54	69
Management of decision-making processes	75	75
Regulatory environment and investment conditions	90	90
Rule of law	77	82

SUB-INDICATOR PERFORMANCE



Foresight of policy and regulatory change

QUICK FACTS

The National Renewable Energy Action Plan, adopted in 2010, and Law no. 3851/2010 are the main strategy documents for promoting the development of renewable energy sources.

In January 2019, Greece finalised the National Energy and Climate Plan 2030.

The National Energy Efficiency Action Plan for the implementation of national energy efficiency improvement targets was adopted in 2017.

As an EU Member State, Greece ratified the Paris Agreement in 2016.

STRENGTHS

The National Energy and Climate Plan 2030 sets targets for three priorities, namely, increasing the share of renewables in energy consumption, reducing GHG emissions, and achieving energy savings in the final consumption. To meet these objectives, the Government enacted Law no. 4602/2019 on Geothermal Energy which supports the framework for the efficient utilisation of the country's geothermal potential. Greece continued to work towards restructuring the energy market. For this purpose, the Ministry and the Hellenic Energy Exchange S.A. took steps to set up the operation of the Day-Ahead Market, the Intraday Market and the Energy Financial Market. The operation of the Markets, scheduled for the end of 2019, will increase transparency and enhance the competitiveness of the wholesale energy market to the benefit of the consumers.

Data on the implementation of the energy targets are regularly collected and analysed. In 2018, the Regulatory Authority for Energy (RAE) submitted to the European Commission the annual National Report on the regulation and performance of the electricity and the natural gas market for the previous year. Statistical data for energy is available on the website of the Ministry of Environment and Energy. Information on GHG emissions and activity data was provided to the UNFCCC in April 2019 through the latest National Inventory Report.

AREAS FOR IMPROVEMENT

In line with last year's suggested improvement, Greece adopted the new action plan to facilitate the implementation of the country's energy objectives. However, the effectiveness of the plan will depend upon, among other things, its effective monitoring. Monitoring and evaluation mechanisms are essential for the achievement of the targets set. Continuous benchmarking and efficient reporting mechanisms can improve the implementation and enforcement of the country's energy policy. Incentives or penalties can also be employed to provide certainty regarding the country's future actions. Additionally, the plan must be periodically reviewed to guarantee progress towards the identified priorities.

Management of decision-making processes

QUICK FACTS

The Ministry of Environment and Energy leads the formulation of energy policies.

The General Secretariat for Investment was established in 2013 as a one-stop investment approval authority for strategic investments.

Enterprise Greece operates as a single window for all enquiries concerning investment policies and applications, under the supervision of the Ministry of Economy and Development.

Greece enacted Law no. 3861/2010 requiring the mandatory online publication of all laws and regulations.

STRENGTHS

The Government is subject to Parliamentary control. In 2018-2019, all submitted questions, interpellations, requests for documents and petitions were made electronically available by the Hellenic Parliament. The Ministry of Environment and Energy exercised the legislative initiative for the energy sector through the submission for discussion of draft bills. Measures were taken for attracting and facilitating the establishment of strategic investments through Enterprise Greece. The agency's website tracked the progress made on projects included in the Fast Track Law no. 3894/2010.

All laws and regulatory decisions adopted during the EIRA assessment year were published in the Official Gazette. In parallel, administrative decisions became effective through their publication on the Diavgeia portal. The decisions of RAE and legislation proposed by the Ministry of Environment and Energy are uploaded on their respective websites. Consultation between the Government and stakeholders played a significant role in 2018. For instance, public deliberation of the new National Energy and Climate Plan was concluded in December 2018. RAE conducted public consultations for the regulations and methodologies regarding the functioning of the Day-Ahead and the Intraday markets.

AREAS FOR IMPROVEMENT

It is important that the country integrates amendments and corrigenda to consolidated texts of legal acts. At present, an amending law may effect changes to multiple laws that are related to different subject matters. This makes it difficult to trace the amendments and users must rely on private legal databases to follow successive changes. Consolidated texts will provide the latest version of the law and facilitate the access of investors to updated and accurate information. To further enhance transparency, investment promotion agencies can make enacted laws and regulations available in English or other foreign languages.

Regulatory environment and investment conditions

QUICK FACTS

RAE regulates the electricity and natural gas sub-sectors and monitors the oil products market.

The Hellenic Hydrocarbon Resources Management SA (HHRM) grants the rights to prospecting, exploration and exploitation of hydrocarbons.

Law no. 2289/1995 on prospecting, exploration and production of hydrocarbons regulates the upstream sector.

STRENGTHS

RAE continues to enjoy financial and functional autonomy. During the past year, RAE announced and successfully carried out competitive procedures for power generation stations from renewable energy sources. Through this, it intends to implement the framework supporting renewables in Greece. Additionally, RAE commenced the development of an energy price comparison tool to ensure a fair and competitive electricity market by facilitating access to objective and neutral information. In February 2019, the regulations for the function of the comparison tool were published for deliberation.

The legislative framework remains liberal and supportive towards foreign investments. As an EU Member State, Greece became a signatory to two new investment promotion agreements, with Japan and Singapore, in 2018. Following last year's recommendation, the State relaxed the capital controls restricting the transfer of funds which have been in place since 2015. From October 2018, the limit on transactions in the course of business activities abroad was raised from EUR 40,000 to EUR 1,000,000 per day, subject to the presentation of the relevant invoices and supporting documents.

AREAS FOR IMPROVEMENT

Following the partial relaxation of the existing capital controls, the country may consider abolishing the measures regarding the transfer of capital abroad. The liberalisation of transactions can promote the flow of foreign funds in the domestic market.

Rule of law

QUICK FACTS

Greece became a Contracting Party to the Energy Charter Treaty in 1997.

The Convention on the Settlement of Investment Disputes between States and Nationals of Other States was ratified by Greece in 1969.

Provisions against the expropriation of immovable property are stated in the Constitution and Law no. 2882/2001 setting out the conditions on expropriation of immovable property.

STRENGTHS

Foreign investors are effectively protected through domestic courts or international arbitration. National laws do not require the exhaustion of local judicial remedies before the initiation of arbitration proceedings. All public decisions of the Supreme Administrative Court and the Administrative Courts of First Instance for the past year have been made available electronically. Greece has established an Investor Ombudsman to assist investors facing difficulties during the licensing procedure and specific bureaucratic obstacles.

The Constitution and the national laws safeguard property rights. Expropriation is permitted only upon the payment of effective compensation, within eighteen months from the publication of the court decision regarding its determination. Intellectual property rights are protected through several laws and BITs to which Greece is a party. The new EU-Japan Economic Partnership Agreement, which came into force in 2019, recognises the importance of intellectual property and includes provisions for its protection. In general, technology transfer is not restricted.

AREAS FOR IMPROVEMENT

Effective case management measures should be adopted to lower the domestic courts' caseload and accelerate judicial proceedings. Alternative dispute resolution mechanisms can be employed, such as encouraging mediation in disputes involving public entities.

Currently, "public interest" is defined on a case-by-case basis within limits prescribed by the Supreme Administrative Court. A general definition of the term may be incorporated in Expropriation Code (Law no. 2882/2001) to clarify its scope and application and to create greater certainty. Additionally, Greece may consider widening the scope of the Expropriation Code, which only applies to real property, to include other types of property.

As mentioned in EIRA 2018, retroactive changes to laws should be avoided to increase investment security.