



2014.09.18 9th Annual Greek Roadshow (Bloomberg, London)

Ladies and gentlemen,

It is a great honor and pleasure for me to be here. I would like to deeply thank you for your kind invitation to be with you this afternoon and for your warm welcome.

When a Greek Roadshow is organized in London, the center of shipping and markets, it implies a vote of confidence in Greece as a country and as a market.



Following a number of difficult years for Greece, stability and growth have come back. The unparalleled economic crisis that our country faced the previous years, was a real nightmare. Most outsiders expected that we would not make it. However, we rose again even if we faced tremendous challenges.

Dear friends,

Let me briefly outline what we have achieved so far and expose the importance of investing in Greece these days.

Achievements 2013-2014

After 6 years of recession, growth that is based especially in investments and exports has returned.



1.1 During the last 2 years, Greece has improved its financial situation. At the present moment, we are producing a primary surplus for the second consecutive year since 1948.

1.2 Standard & Poor's upgraded Greece's long term foreign currency debt to B with a stable outlook.

1.3 The Economic Sentiment Index in Greece has recorded 30% increase from January 2012 to August 2014 , recovered to pre-crisis levels.

2. April, 2014. First time in the markets after May 2010. 5 year bond €3bn, 4,75% interest rate.

3. In the second round of recapitalization the 4 systemic banks got €8,3bn from the capital markets. Recapitalisation and restructuring of the banking system are gradually restoring confidence and are creating the conditions necessary for the supply of bank credit to the economy to increase over the medium term.



4. The lost competitiveness, in terms of unit labor cost, has been gradually restored. According to the Global Competitiveness Report 2014-2015 by the World Economic Forum, Greece advanced 10 spots in the Index Ranking, from rank 91 last year to rank 81.

5. Major Structural Changes

5.1 Reduction of minimum wages -22% in basic salary, -32% for those employed for first time, -23% of salary on average in the public sector.

5.2 Streamlining the public administration and downsizing the public sector. In the period 2009-2013, public sector employment fell from 900.000 (2009) to 660.000 (2013) employees.

6. Growth after 6 years of recession. Recession just -0,9% compared to Q1 2013. Estimates for a 0,6% GDP growth. This time driving force was not the consumption and especially public spending, but investments and exports.



As you can see, Greece enters into the post Memorandum era. All the main reasons that forced Greece to ask for financial support, within the mechanism of Memorandum have now been reversed.

- Budget deficits of the past, have become surpluses
- Exports and production are the main factors for the current account improvement
- The country succeeded in maintaining the benefits of being part of the Eurozone and is returning to the markets successfully.



We are on the right path and moving ahead, both in terms of fiscal consolidation and in terms of structural reforms. We know that it is not over yet. It is a marathon we are running until recovery comes.

National Level – 5 Pillars

To address not only the issue of unemployment but in general to bring our economy back to growth we are working on 5 pillars:

➤ **Political & Macroeconomic Stability:** A strong prerequisite for investments. Today, thanks to the sacrifices of the Greek people, Grexit is history. So, we are able to assure potential investors that even in 10 years time the valuation of their investment will be in euros again.



➤ **Liquidity:** The blood of the economy. Most investors do not possess the entire amount of their investment. Obviously a major role for the banking system here. Recapitalisation of Greek Banks finished.

➤ **Structural Reforms:** Short term and long term. Some of them are being implemented. Some should be our next step aim.

➤ **Attracting investments:** Transforming Greece from a red tape to a red carpet country

For that reason, concerning the Investment Environment, we have already taken steps with the New Investing Law N.4146/2013, to improve the business environment.



Specifically, we:

- Created the Central Licensing Authority, which will act as an one stop shop to issue all the construction, installation and operation permits and to produce the Special Land Use Plans for strategic investments.
- Also created a new legal instrument, ESCHASE, (Special Drawing Spatial Development Strategic Investment Plan), in order to solve planning issue with certainty and in a timely manner.

As a result, within the last 2 years, Greece has attracted **Investments (foreign and domestic) of about €37,6bn** (completed or in progress), as a recent study of KEPE concludes.



It is a figure derived from official data and announcements of major multinational companies, entrepreneurial applications, Public-Private Partnerships (PPPs), etc.

➤ **Catalysts for Growth**

- Privatisations
- Public Private Partnerships.
- Infrastructure projects

As far as the **export activity** is concerned, we proceed on schedule in implementing the National Strategy for Exports. We implemented 25 specific actions to simplify procedures and reforms related to customs and pre-customs controls.



Thanks to the “single window” and other reformative actions, **we aim at reducing the time to export by 50% and costs by 20% by 2015**

Result: The index of export Extraversion (Exports as a percentage of GDP) from 11.6% in 2011, rose to 14.2% in 2012 and 15.1% in 2013. **In 2013, we managed to stabilize our exports at record high of € 27,5 billion we achieved in 2012**, given an global environment of uncertainty. These developments have occurred despite the adverse liquidity and financial conditions faced by Greek exporters.

This year, Greek exports are still achieving great results. We broke an overall negative tradition, suggesting that we cannot keep our records.



Growth Strategy Plan “Greece 2021”, 2014-21

We are launching the **Growth Strategy Plan “Greece 2021”** in order to restore the country to growth. Focused on achieving accelerated economic growth, which will in turn lead to an upgrade of the living standards and new jobs creation. And in this endeavor of ours we are establishing or improving relations with key partners.

Partners like China, a country with which we are constantly improving our business relations, in many sectors like logistics, infrastructure, shipping etc. And also with other partners, like Kuwait or the United Arab Emirates with whom we very recently signed Investment Protection and Promotion Agreements.

Not everything of course is easy. For agreements of this kind to produce tangible business results a lot of effort is necessary.



But we maintain our optimism because we are fully convinced of the tremendous potential existing in the areas where our country has **comparative advantages**, namely tourism, primary production and processing of agricultural products, energy, logistics, research, technology and innovation. And also in sectors, such as the pharmaceutical industry, the metal industry and building materials, and shipping and related activities and services.

But Why Greece is an Ideal Location for Investments ?

Greece is an ideal location from which to access the emerging markets of Southeast Europe and the Eastern Mediterranean, while also being perfectly suited as a gateway to the European Union from the Middle and Far East. In the edge of three continents, our country plays the role of the home port for many companies.



Transportation, location, and logistics, as well as the EU and Eurozone membership, provide companies with important advantages.

Critical to any business is the access to customers and markets. Greece boasts a transportation infrastructure that can seamlessly transport goods to local customers or global destinations, by road, rail, sea, or air.

In addition, Greece's shipping industry, the most renowned in the world, transports raw materials and finished products. Its busy ports are a vital gateway to Western and Southeast Europe and the Eastern Mediterranean.



The major Chinese shipping firm COSCO, for instance, selected the Port of Piraeus through a major investment to have access to the markets of the Mediterranean and the EU.

In addition, COSCO and Hewlett Packard, the US technology giant, have entered into a strategic agreement to transfer HP products from Piraeus to these markets.

Chinese companies like ZTE and Huawei also chose Greece to invest and transfer their products through Greece to Europe. And more and more companies express interest in creating a logistics hub in Piraeus, while the port is embarking on a major overhaul of its entire port infrastructure and the surrounding areas.



Greece is also a natural base from which to reach 140 million consumers in **Southeast Europe**, a region with a GDP of almost 1 trillion Euro.

Greece's powerful business ties with the region translate into superb opportunities to access markets that have a strong demand for consumer goods, infrastructure modernisation, technology and innovation, networks, energy, and light manufacturing.

Another leading sector of the Greek Economy, Tourism, contributes and increases the revenues for any potential investor.



The great upflow of tourists this year (22% higher compared to 2013) creates the need for total upgrade of product offering and new investments in infrastructure and facilities. Many opportunities like new or upgraded Marinas or Restructuring of Large Hotels are waiting for new investors to focus on.

In that direction, a Tourism Investment Special Service has been established, operating as a one-stop-shop to facilitate major investment initiatives in tourism.

Greek government supports any plan that emphasizes not only the direct investments but also the research and development process of companies that are established in Greece. Our commitment is to create the circumstances for our country in order to become the development hub of Southeastern Europe.



The comparative advantages of Greece coupled with proper horizontal policies like lowering taxes, enhancing competitiveness, building on public property and facilitating international trade and openness of the economy will contribute even more towards the improvement of the investment climate.

Ladies and Gentlemen,

For Greece, this is the beginning of a new era. An era of stability, a competitive tax regime, more flexibility in labour, capital and product markets, more investment in education, more balanced growth. An era of confidence and optimism about our macroeconomic results. The prospects of the Greek economy are solid and promising.



Investing in the Greek economy is the type of investment that every investor is looking for: **An investment of underlying value that can give a growth prospect in the future.** And that is the real reward for any investor in Greece.

As the Government of Greece is concerned, we continue our reformative plan. The Greek people have already seen the first results of our common efforts. And they have realized that there is an Ithaca at the end of the Odyssey. We undertook the challenge and we are now able to deliver the first tangible results.

Now we can strongly believe that the future will be even more rewarding for all those who made or will make the smart choice to invest in Greece and become our partners.

Thank you very much for your attention.