



# GREEK **businessfile**

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## Greek economy **THE DAY AFTER**

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# «I see a grid more favorable for investment»

*Notis Bernitsas appears optimistic about the course of the Greek economy. In an interview with Economics, he claims that the Mitsotakis government, in its first year, has shown a collective commitment to promote investment and predicts that large investors will soon seize the opportunity to invest in Greece, a country with strong institutions and the strongest currency in the world*



by Antonis D. Papagiannidis

**W**hen a foreign investor comes visiting, which is the first question he will put to a Greek lawyer active in the field of investments? Which is the main concern for “Doing business in Greece”?

The first question has to do with the regulatory framework, including the licensing requirements which usually prove to be a painful exercise. Prospective investors ask for a rather detailed analysis; they want to know what the hurdles will be and in what timeframe any issues that arise can be resolved.

Immediately after this, the questions have to do with the judicial system and whether one can impose –if need be– a prompt and objective jurisdictional clause regarding the resolution of any disputes which may occur. Investors definitely prefer having arbitral panels resolve their disputes and they often select institutional arbitration carried out under the auspices of the ICC, the LCIA, UNCITRAL, ICSID and the like. When it comes to penal issues, especially regarding white-collar crime (which is an eventuality in all jurisdictions), our foreign colleagues are sometimes disappointed when hearing that the time required from the day they press criminal charges to the actual issuance of a first instance judgement is between 5 and 7 years.

**We are in 2020. Having been active in the Greek business scene as a lawyer since the late '70s, would you say the perception of Greece in the eye of foreign investors has changed a lot?**

In earlier times, investors were mostly state-driven com-

panies from various other European jurisdictions that had a strategic interest in consolidating their position in our area. At that time, funds, which are now present everywhere, were not so active. One factor that has dramatically changed the scene is the appearance in the Greek market of all sorts of funds such as infrastructure, equity, mezzanine and hedge funds, which have been scanning the market for the last 3 to 4 years in order to find investment opportunities.

**Do you think they are smiling more often nowadays? Or do they still keep a cool eye on things Greek?**

I think they tend to smile. And the reason I say this is that those who have actually proceeded with one investment, carry on to a second and probably a third one.

**Which means?**

Well, it means they are conscious of the difficulties, but they are also conscious of the upside, which looks promising.

**Sector-wise, the foreign investor community looks at Greece as a tourist destination? As a country in need of further heavy infrastructure? Or as a place of new technology development?**

Greece used to be a country that experienced deindustrialization in the '70s and '80s and would like to come back now, which is very difficult.

Greece is very well regarded as a tourist destination, a health-care destination (these two eventually may combine, which we have not seen so far) with spa and alternative heal-



ing facilities; and also, as a country with leisure infrastructures at the upper end of the scale. Greece is now seen with a different eye by foreigners looking to invest in the country. Backpacking tourists are not our focus anymore. There is growing interest from investors in the agricultural sector that has not crystallized yet. I think that the recent pandemic will boost investments in this sector. Infrastructure facilities and the privatization of airports, ports, electricity networks and energy infrastructures attract a lot of attention. New technologies seem also to be a promising sector for investment.

***In quest of agricultural quality of low soil contamination or what?***


They mainly look for the climate; also, hydroponic plant-growing for which conditions in Greece seem favorable. It would appear that the cost of acquiring or renting land for agricultural purposes is very competitive when taking into account the climate conditions.

In the energy sector, there is a lot of interest from European and global players with regard to alternative energy sources. The FSRU project in Alexandroupoli, to be supplied by US-originating shale gas is about to start being built.

***One last touch: in Greece –this is a fact of life– everything is closely intertwined with politics. To you, do foreign investors in the last, say, two decades perceive Greece as an investment platform dependent on the political system? Or are they colorblind?***

I think that they used to look at Greece by assessing how each government would react. But nowadays they value all the stabilizing factors that make Greece a politically safe country.

***Meaning?***

Investors see Greece as a democratic country, a normalized member of the EU and most importantly of the Eurozone. These traits offer very important advantages. As time passes, political fights in Greece tend to fade. So, I believe that investors will shortly become colorblind. 

Panayotis Bernitsas is the Managing Partner of Bernitsas Law Firm. His broad-based commercial practice incorporates more than 40 years of experience in transactional, advisory and litigation work. Panayotis Bernitsas is an expert in Competition and European Union Law, as well as in concession projects and privatisations, with a track record in many pioneering transactions to have taken place in Greece.

Panayotis Bernitsas served as Associate Professor of European Union Law and International Business Law at the Democritus University of Thrace for over 20 years, and has also repeatedly acted as advisor to the Greek Government on matters of European Union Law, State Aid and Privatisations. He has been widely published in his areas of expertise, including in relation to the effect of European Union Law on Private International Law, European Union Law, Monopolies and Free Competition, Antidumping Regulations, Securities, Shares and Bonds in Private International Law. 