

# STRATEGIC INVESTMENTS

**Handbook  
of the new provisions  
under Law 4864/2021**

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# STRATEGIC INVESTMENTS

## Handbook of the new provisions under Law 4864/2021

### Contents

1. Strategic Investment Categories	4
2. The process of inclusion in strategic investments	9
3. Incentives for Investment Inclusion in Strategic Investments	15
4. Other provisions	24
5. The issue of the transitional provision of Article 30 of Law 4864/21	25
6. Environmental Provisions (Article 3)	26
7. Spatial and Town Planning Provisions (Articles 4, 23-25)	28
8. Arrangements for the Concession of the Shoreline and the Beach (article 5):	30
9. Arrangements for Complementary and Accompanying Projects (article 6):	31
Categories, Criteria and Incentives of the Law	32

**The new Law 4864/2021 of the Ministry of Development and Investments “Strategic investments and improvement of the investment environment through the acceleration of processes in private and strategic investments” (Government Gazette 237 A/2-12-2021) aspires to be the Paper of Strategic Investments.**

It contains the existing legislation in a consolidated text, which it further codifies and improves by removing provisions that have proved to be dysfunctional, while introducing amending or new provisions.

The aim is to improve the investment climate for the implementation of strategic investments in order to simplify and accelerate the processes of their evaluation and realization and to enhance the legal certainty of strategic investors and the development of a new single regulatory framework for strategic investments.

In essence, the logic of Law 4608/2019 and the distinction of categories of investments according to the incentives provided are maintained.

Emblematic Investments in particular are now called Emblematic Investments of Exceptional Importance (Article 1c).

### **General Definition of Strategic Investments**

Strategic Investments are those investments which, due to their strategic importance for the national or local economy, can enhance employment, productive reconstruction and the promotion of the natural and cultural environment of the country, in accordance with the principles of socially fair, inclusive, balanced and sustainable development, with main characteristics the attraction of investment capital, extroversion and export activity, innovation, competitiveness, integrated planning, the preservation of natural resources in the perspective of circular economy and high added value, especially in sectors of economic activities of internationally marketable products or services.

## 1. STRATEGIC INVESTMENT CATEGORIES

The following categories of Strategic Investments are provided for (Article 2):

r/n	Category	Conditions	Incentives
1.	<b>Strategic Investments 1</b>	<p><b>Regardless of the area of investment:</b></p> <ul style="list-style-type: none"> <li>The total budget of the investment is more than seventy-five million (75 000 000) euros, <p>or</p> <li>The total budget of the investment is more than forty million (40 000 000) euros and simultaneously with the investment, at least seventy-five (75) new Annual Work Units (AWUs) are created in a sustainable way.</li> </li></ul>	<ul style="list-style-type: none"> <li>one or more of the incentives in Article 7, para. 1 of Article 8 and Article 9 (see below)</li> <li>one or more of the incentives in Articles 7, 8, 9 and para. a and b of para. 1 of Article 10</li> </ul>
2.	<b>Strategic Investments 2</b>	<ul style="list-style-type: none"> <li>The total budget of the investment is more than twenty million (20 000 000) euros and concerns one (1) or more of the sectors of agri-food, research and innovation, biotechnology, cultural and creative industry, robotics, artificial intelligence, medical tourism, waste and waste management, space industry or is more than twenty million (20 000 000) euros and</li> </ul>	<ul style="list-style-type: none"> <li>one or more of the incentives in Articles 8, 9, as well as in para. a) and b) of para. 1 of Article 10.</li> </ul>

r/n	Category	Conditions	Incentives
		<p>the investment aims at the digital transformation of the business or the provision of cloud computing services.</p> <p>or</p> <ul style="list-style-type: none"> <li>• The investments create in a sustainable way at least fifty (50) new AWUs and their total budget is more than thirty million (30 000 000) euros.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>• They constitute investments within organized sockets of manufacturing and business activities of para. 4 of article 41 of Law 3982/2011 (A' 143), which create in a sustainable way at least forty (40) AWUs. and their total budget is more than twenty million (20 000 000) euros.</li> </ul>	<ul style="list-style-type: none"> <li>• one or more of the incentives in Articles 8, 9, as well as in para. a) of para. 1 of Article 10</li> </ul> <ul style="list-style-type: none"> <li>• one or more of the incentives in Articles 8, 9, as well as in para. a) of para. 1 of Article 10.</li> </ul>
3.	<p><b>Emblematic Investments of Exceptional Importance</b></p>	<ul style="list-style-type: none"> <li>• are implemented by distinguished legal entities, and</li> <li>• promote the green economy, innovation, technology, as well as the economy of low energy and environmental footprint and especially in this sector, infrastructure investments with specific energy criteria for the</li> </ul>	<ul style="list-style-type: none"> <li>• one or more of the incentives provided for in Articles 7, 8, 9 and 10.</li> <li>• <b>IMPORTANT:</b> A prerequisite for the provision of the aid referred to in articles 8 and 10, disjunctively or cumulatively, to the</li> </ul>

r/n	Category	Conditions	Incentives
		<p>construction of new buildings, systems that combine power station from Renewable Energy Sources (RES) and a system for the production of "green" hydrogen, provided that the electricity produced is used exclusively for the production of hydrogen, electricity storage systems from RES and installations of off-shore wind or photovoltaic parks, as well as investments that significantly enhance the Greek economy and its competitiveness at an international level.</p>	<p>investment plans which fall into the current category, <b>is the completion of their realization by the 31st of December 2025</b>, due to the connection of the relevant financial resources and incentives with the National Recovery and Resilience Plan.</p> <ul style="list-style-type: none"> <li>• This condition must be stated in the investor's application and in the timetable accompanying it. If the implementation deadline is exceeded, the investment is <b>declassified</b> and the approved incentives are <b>withdrawn</b>.</li> </ul>
4.	<p><b>Fast-licensing Strategic Investments</b></p>	<ul style="list-style-type: none"> <li>• They create in a sustainable way at least thirty (30) new AWUs and their total budget is more than twenty million (20 000 000) euros.</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>• create in a sustainable way at least thirty (30) new AWUs, provided that their total budget is more than ten million (10 000 000) euros and they are part of</li> </ul>	<ul style="list-style-type: none"> <li>• one or more of the incentives in Article 9 and para. a) of para. 1 of Article 10</li> <li>• one or more of the incentives in Article 9 and para. a) of para. 1 of Article 10</li> </ul>

r/n	Category	Conditions	Incentives
		<p>an investment, which has already been characterized as strategic and its realization has been completed.</p> <p>or</p> <ul style="list-style-type: none"> <li>• are existing investments, strategic or not, which restructure or modernize or expand their facilities and their total budget is more than fifteen million (15 000 000) euros, provided that at least one hundred (100) existing AWUs are maintained in a sustainable way.</li> </ul>	<ul style="list-style-type: none"> <li>• incentive under Article 9</li> </ul>
5.	<b>Automatic Strategic Investments</b>	<ul style="list-style-type: none"> <li>• They constitute investments of Law 3389/2005 (A' 232), which have been approved either by the Interministerial Committee for Public-Private Partnerships or by the Government Committee of Contracts of Strategic Importance of article 126 of Law 4799/2021 (A' 78) and investments for the European Energy Projects of Common Interest "Projects of Common Interest (PCI)" of article 8 of Law 4271/2014 (A' 144). In this case, investments that are Important Projects of Common European Interest ("IPCEI") of legal entities are included,</li> </ul>	<ul style="list-style-type: none"> <li>• one or more of the motives of para. 1 of Article 8 and Article 9.</li> </ul>

r/n	Category	Conditions	Incentives
		<p>which participate as direct members in programmes of Important Projects of Common European Interest, provided that their total budget is more than twenty million (20 000 000) euros.</p> <p>or</p> <ul style="list-style-type: none"> <li>• They constitute "Strategic investments of spatial organization of enterprises", which concern the development of business parks of Law 3982/2011 (A' 143), in an area of at least five hundred (500) acres and with a total budget of more than ten million (10 000 000) euros.</li> </ul>	<ul style="list-style-type: none"> <li>• one or more of the incentives provided for in Articles 7, 8 and 9.</li> </ul>

## 2. THE PROCESS OF INCLUSION IN STRATEGIC INVESTMENTS

### STEP 1

**Submission of an investment dossier and an application** by an interested investment body to "Hellenic Investment and Foreign Trade Company S.A., "Enterprise Greece", for the characterization of its investment plan as a Strategic Investment, its inclusion in one of the above categories and the incentives of the specific category, which it wishes to receive.

The investment body bears the burden of completeness, accuracy and truth of the submitted data and is obliged to cooperate with Enterprise Greece, the General Secretariat for Private Investments and Public-Private Partnerships of the Ministry of Development and Investments, the Coordinating Committee for Strategic Investments (CCSI) and the General Directorate of Strategic Investments (GDSE) of the Ministry of Development and Investments, if called upon to do so, in order to make up for shortcomings, the definition of the content of the dossier and the time limits).

The investment dossier includes at least the following (see article 12 of Law 4864/21):

- Business plan of the investment that includes, in particular, the identity of the investor and his associates, indicative detailed timetable for the implementation of the investment and the period of its operation, an indication of the previous experience of the investor in relation to the type and nature of the investment proposed, a description of the total investment and the individual investments with more specific reference to the fulfilment of the criteria of the individual categories of investment in this regard with the creation of new annual work units, the development of new technologies, innovation, extroversion, high added value, environmental protection, universal planning, a description of the way proposed for the implementation of the project, as well as a description of the individual activities and services that will be provided.
- Purchase contracts or concessions of ownership or notarial documents for the establishment of a right of land, in accordance with articles 18 to 23 of Law 3986/2011 (A' 152) or lease agreements or preliminary lease agreements accompanied by certificates of ownership from the competent Land Registry or, in case the properties are located in an area where the cadastral survey has been completed, accompanied by copies of the cadastral sheet of the properties or concessions for the use of properties of minimum of thirty (30) years for those investment projects that apply to receive the incentives provided for in article

8 and fifteen (15) years for all other cases, or notarial preliminary agreements for the purchase of real estate with the condition of non-inclusion of the investment plan in its strategic investments.

- Analysis of the budget of the total investment and individual investments, as well as the financing structure during the construction period of the investment project and during its period of operation, provision of a comfort letter or a proof of funds letter, in the case of investment funds from a financial institution legally operating in another Member State of the European Union (EU) or the European Economic Area or in a member state of the Organization for Economic Co-operation and Development (OECD), a list of the basic efficiency indicators, a report of any form of assistance requested by the State, as well as an analysis of possible direct or indirect compensatory benefits in favour of the State and the local community.
- Environmental and urban characteristics of all real estate provided for in the plan and documentation of land use or uses, their size and intensity, as well as the terms and constraints of building, analysis of the direct and indirect consequences of the investment on the Greek economy in the short, medium and long term ("investment impact assessment") at national, regional and local level, including the analysis of social and environmental consequences. This analysis shall take into account in particular the local production and employment potential, the size and productive capacity of neighbouring areas, the natural beauty of the area, its archaeological and cultural wealth, the resilience and the possibility of smooth adaptation of the natural, residential and economic and social subsystem to the effects of the investment, as well as the existence of similar economic activities in the area.
- Irrevocable order and authorization to the Hellenic Investment and Foreign Trade Company S.A. to take all required actions regarding:
  - The control and cross-checking of the data in the file of the investment proposal, in order for it to be classified as a Strategic Investment,
  - the publication of details of the investment, except those covered by business, industrial or other confidentiality and its development, the applications submitted by the investor, as well as the relevant decisions and opinions of Public Administration on the website of the Hellenic Investment and Foreign Trade S.A.,
- proof of payment of twenty-five percent (25%) of the total management fee to the Hellenic Investment and Foreign Trade Company S.A.,
- a declaration by the legal representative of the investment body stating that the documents, data, statements and data submitted in the submitted file are accurate and true,
- a detailed description of the aid requested and the costs involved, as well as the information necessary to prove that the conditions of compatibility applicable to the

case-by-case conditions of compatibility with EU Regulation (EU) No 651/2014 of 17 June 2014 on the declaration of certain categories of aid as compatible with the internal market (L 187) have been fulfilled, as appropriate, only if the application for designation of the investment project as a Strategic Investment includes an application for aid under Articles 8 and 10.

**\*\*Only for Emblematic Investments of Exceptional Importance\***

**Note 1:** The establishment of a three-member Committee, the members of which are experts of recognized prestige of various specialties (article 2, par. 1 sub-section c.a) with a Joint Ministerial Decision of the Ministers of Development and Investments and Finance, which will determine its members, their deputies, their term of office, their compensation and the terms of operation of the Committee, is provided.

**\*Only for Emblematic Investments of Exceptional Importance\***

**Note 2:** The procedure for the issuance of a Joint Ministerial Decision of the Ministers of Development and Investments and Finance is provided for, which will determine the procedure for the integration of the investment, the way of monitoring and controlling the realization of the investment, the way of payment of the aid, as well as any other necessary details.

**STAGE 2**

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**\*Only for Emblematic Investments of Exceptional Importance\***

**Request** of Enterprise Greece to the aforementioned three-member Committee (its establishment pending) to issue an opinion on the emblematic or non-emblematic nature of the investment.

**STAGE 3**

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**\*Only for Emblematic Investments of Exceptional Importance\***

**Opinion within seven (7) days** by the aforementioned three-member Committee (its establishment pending) on the emblematic or non-emblematic nature of the investment and its transmission to the Hellenic Investment and Foreign Trade Company (EnterpriseGreece).

**STAGE 4**

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Within forty-five (45) calendar days from the submission of the investment proposal file, Hellenic Investment and Foreign Trade Company S.A. evaluates and gives its opinion on the fulfilment of the criteria of the categories, the completeness of the file and the required data

and documents of the file and the feasibility of including the investment in the Strategic Investments process.

## STAGE 5

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Following the completion of the evaluation of the investment proposal, Hellenic Investment and Foreign Trade S.A. **posts** the main elements of the file and the executive summary of the investment proposal, except for information submitted in the investment proposal file as confidential, which may not be disclosed to any third party, on a properly configured platform on its website and invites to public consultation the public and the co-competent bodies for the formulation of opinion. The consultation lasts ten (10) calendar days. The investment body, upon submitting its investment file to Hellenic Investment and Foreign Trade S.A., signs a Confidentiality Statement, in which it mentions any information in its investment file it deems to be confidential and not to be disclosed.

## STAGE 6

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The opinion and the other elements of the introductory dossier of the investment proposal **are forwarded** to the General Secretariat for Private Investments and Public-Private Partnerships of the Ministry of Development and Investments, which further forwards the introductory dossier of the investment proposal to the Coordinating Committee for Strategic Investments (CCSI) of no. 19/2020 Act of the Council of Ministers (A' 109), and the General Secretariat for Private Investments and Public-Private Partnerships prepares the relevant meeting of the ICSI.

## STEP 7

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**Meeting** of the Interministerial Committee for Strategic Investments (ICSI), on the agenda of which the investment proposal has been introduced for consideration, within thirty (30) calendar days from the submission of the introductory file to the General Secretariat for Private Investments and Public-Private Partnerships of the Ministry of Development and Investments. The ICSI decides, by a specifically justified decision, which is published in the Government Gazette, whether or not the investment proposal is characterized as strategic, for its inclusion in the relevant categories, the estimated cost of implementation or the jobs created, as well as for the incentives granted.

In addition, it is crucial to mention the criteria that the ICSI examines when classifying an investment as strategic (Article 15 par. 3 of Law 4864/21). Specifically, in addition to fulfilling the individual criteria per category of investment, as analyzed above, it examines:

- The economic viability and financial adequacy of the proposed investment, as well as the solvency of the investor, for which elements are examined, such as:
  - The existence of bank financing or support,
  - the financial position of the investment body through balance sheets or extracts from balance sheets;
  - the total turnover of the investment body or its turnover in the sector of activities, which is the subject of the investment proposal for the three (3) last financial years at most,
  - an undertaking by third parties to support the investment body in the execution of the subject-matter of the contract or to participate in its financing ("comfort letter"), if such a commitment is invoked, as well as, in the case of investment or other funds, the production of proof of funds letters from a financial institution legally operating in a Member State of the European Union (EU) or in a third country member of the Organisation for Economic Co-operation and Development (OECD),
  - the creditworthiness of the investment body through a certificate from an international or domestic rating agency, and
  - the documentation of the experience of the investment provider from corresponding projects.
- environmental protection and energy savings with the aim of achieving a low environmental footprint and adopting circular economy practices,
- the projected increase or maintenance in a sustainable manner of employment, including the employment of skilled human resources and vulnerable groups of the population;
- the substantial stimulation of entrepreneurship, competitiveness, as well as the country's export activity,
- the compatibility of the type and size of the investment in relation to the physical, residential and socio-economic subsystem;
- the environmental, spatial, economic and social consequences of the plan or investment at local, regional and national level.

It is noted that the above will be further specified with the issuance of the aforementioned JMD specifically for Emblematic Investments of Exceptional Importance. In any case, until the issuance of this specialized JMD, the above apply, in general.

## IMPORTANT

(par. 3 of article 2 of Law 4864/21)

In addition to the above categories, it is foreseen that investments in power plants are characterized as "Strategic Investments" of investments (a), (b), (c) and (d) of para. 1 [i.e., Strategic Investments 1, Strategic Investments 2, Emblematic Investments of Exceptional Importance and Fast-Track Strategic Investments] provided that, cumulatively **with the individual conditions of each of the cases, as mentioned above**, they **also** meet the following conditions:

- **They fall into one of the following categories:**
  - **Systems that combine a power station from RES and a system for the production of "green" hydrogen**, if the produced electricity is used exclusively for the production of hydrogen.
  - Installations of off-shore wind and/or photovoltaic parks.
  - RES projects that interconnect areas of the country that have not been interconnected and are not foreseen to be interconnected with the National System for the Transmission of Electricity through a submarine cable, in accordance with the approved, according to the application for inclusion, Ten-Year Development Plan of the National Electricity Transmission System.
  - Projects of RES of fully controlled power generation according to para. 14 of article 2 of Law 4414/ 2016 (A' 149)<sup>1</sup>.
  - Electricity storage systems from RES [for this it is noted that they can be included exclusively in the category "Emblematic Investments of Exceptional Importance" and receive the incentives provided in this category, provided that the relevant applications have been submitted by 1.11.2021]
- They have a **budget** of at least seventy-five million (75 000 000) euros.

<sup>1</sup> That is, the power stations that utilize biomass or biogas, the stations that utilize geothermal potential, the solar thermal power stations as well as the S.I.T.H.Y.A. stations.

### 3. INCENTIVES FOR INVESTMENT INCLUSION IN STRATEGIC INVESTMENTS

In addition, it is appropriate to mention the **incentives for inclusion** per category, as provided for in the new Law:

s/a	Incentives	Content	Article 4864/21
1.	Siting	<ul style="list-style-type: none"> <li>Following a decision of the ICSI, it is planned to draw up Special Plans for the Spatial Development of Strategic Investments (<b>ESCHASE</b>) on, at first, coherent areas.<sup>2</sup> A non-adjacent area can be included to the investment, which cumulatively: <ul style="list-style-type: none"> <li>Covers less than fifty percent (50%, of the total area of the basic property of the investment,</li> <li>is not necessary to ensure the integrity of the buildability of the basic property, and</li> <li>has a maximum distance, with the other property, one and a half (1 1/2) kilometer.<sup>3</sup></li> </ul> </li> </ul> <p>Articles 11, 12, 13, para. 2 of Article 13A and Articles 14 and 14A of Law 3986/2011 shall apply accordingly.</p>	7

<sup>2</sup> Except for the public properties referred to in article 10 of Law 3986/2011 (A' 152). For the single area, the subpar. a) of 8 of para. c' of article 11 of Law 3986/2011 is applied.

<sup>3</sup> For the investments of the subpar. ia' of 4 of para. B of article 11 of Law 3986/2011, i.e., for Data Centers and technological support of enterprises and other accompanying activities (Data Centres), more than one ESCHASE. may be included in the same investment plan by issuing a single presidential decree, upon application by the investor. Also, the maximum allowed building coefficient, provided for in par. d) of para. C' of article 11 of Law 3986/2011 is set at zero point eight (0.8) and the maximum allowed coverage rate is set at sixty percent (60%).

s/a	Incentives	Content	Article 4864/21
		<ul style="list-style-type: none"> <li>• For the realization of Strategic Investments on land with a mixed ownership regime, i.e., public and private land, which has come under the jurisdiction of HRADF, an <b>ESCHADA</b> is drawn up and approved in accordance with articles 11 to 17B of Law 3986/2011. For other Strategic Investments with a mixed ownership regime and for Strategic Investments on real estate owned by Local Government Organizations (Regional Authorities or Municipalities), an ESCHASE may be drawn up and approved, without prejudice to article 10 of Law 3986/2011.</li> <li>• It is also noted that:             <ul style="list-style-type: none"> <li>• the <b>expropriation</b> of real estate or the establishment of rights in rem thereon to serve the Strategic Investments and their accompanying projects is allowed, following a decision of the ICSI, provided that it has been assessed in detail as necessary for the implementation and sustainability of the investment project in the relevant evaluation report. The expropriated area may not occupy more than three percent (3%) of the area of the total area of realization of the investment. The expropriations are declared by a JMD of the competent bodies of the Ministries of Development and Investments, Finance, Environment and Energy, Culture and Sports and Infrastructure and Transport in favour of the Greek</li> </ul> </li> </ul>	

s/a	Incentives	Content	Article 4864/21
		<p>State or legal entities of public Law or general government bodies of article 14 of Law 4270/2014 (A' 143) or natural persons and at the expense of the benefitted from the expropriation or any other person defined in the act of its proclamation. For the rest, Law 2882/2001 (A' 17) applies. The compensation determined shall be borne by the investor.</p> <ul style="list-style-type: none"> <li>• For investments in industry in the second and third indents of Strategic Investments 2 and the investments of spatial organization of enterprises and the supply chain, the maximum permissible <b>building coefficient</b>, provided for each case of paragraph C of article 11 of Law 3986/2011 to which the above categories of investments belong, is set at zero point six (0.6), which may be incremented up to zero point nine (0.9), depending on the needs of the strategic investment.</li> <li>• Moreover, the investment plans for which an ESCHASE is approved, must apply a plan of sustainable development principles based on the <b>environmental, social and corporate governance (ESG)</b> criteria from the beginning of their productive operation. In addition, they are required to prepare an annual sustainability reporting for the presentation of non-financial information in the context of the ESG, in accordance with internationally</li> </ul>	

s/a	Incentives	Content	Article 4864/21
		<p>recognised standards (indicatively: GRI Standards). The annual report is audited by a third independent body (auditing firm or certification firm) of choice of the investment body. The sustainability report includes the elements and data of the investment plan, which has been subject to the provisions of Law 4864/2021, separately.</p>	
2.	Tax	<p>By decision of the ICSI, Strategic Investments may receive the incentive to <b>stabilize</b> the current income tax rate, on the date of their designation, of legal persons and legal entities for a period of time, which is set at twelve (12) years from the completion of the investment plan. The investor may make use of the established income tax rate from the tax year of completion and the start of productive operation of the investment. If the rate is reduced, the reduced rate shall be applied.</p> <p>They may obtain alternatively:</p> <p><b>Tax exemption</b>, consisting of the exemption from payment of income tax on profits made before tax, which arise, under tax Law, from all the activities of the enterprise, after deduction of the tax of the legal person or legal entity, which is attributable to the profits distributed or assumed. The amount of the tax exemption constitutes an equivalent reserve amount, which in case of distribution or capitalization is taxed in</p>	8

s/a	Incentives	Content	Article 4864/21
		<p>accordance with article 47 of Law 4172/2013 (A' 167). The entity may utilize the entirety of the eligible tax exemption within fifteen (15) tax years and not within a period of less than three (3) tax years from the year of the establishment of the right to use the incentive.</p> <p>or</p> <p><b>acceleration of tax depreciation</b> of fixed assets that have been included in the approved investment plan by increasing the rates in the table of paragraph 4 of article 24 of Law 4172/2013 by one hundred percent (100%). If the initial depreciation rate is higher than twenty percent (20%), the final increased rate cannot exceed forty percent (40%). For manufacturing enterprises, depreciation of machinery and mechanical equipment is deducted from gross revenue at the time of their realization, increased by thirty percent (30%).</p>	
3.	<b>Accelerated licensing</b>	<p>There is a strict deadline (the expiry of which is an aggravating circumstance in case of disciplinary action) of <b>forty-five (45)</b> calendar days for the issuance of any required permit or approval for the execution of works, the installation or operation of a strategic investment, including planning permits.</p> <p>For the issuance of a Decision approving the Environmental Terms (A.E.P.O.) of a</p>	9

s/a	Incentives	Content	Article 4864/21
		<p>Strategic Investment, the deadline of indent dd) of para. 2b of article 3 of Law 4014/2011 (A' 209) and the deadline of indent d) of para. 3 of article 4 of Law 4014/2011 are applied proportionally. The procedure through the Directorate-General for Strategic Investments and the advisory procedure followed for the issuance of permits are described. If, in the context of the relevant administrative procedure, approvals, suggestions or opinions of regional or other services are required to be sent to the competent licensing authority, they shall be completed at such a time as to ensure that the final authorisation or opinion is issued within the time limit. In case of the expiry of the deadline, the authority to issue each permit is transferred to the Minister of Development and Investments, who, upon the recommendation of the General Directorate of Strategic Investments of the same Ministry, confirms the expiry of the above deadline, and justifiably either issues the relevant permit taking into account the application and the data in the file, or rejects it within a period of one (1) month.</p> <p>For permits or approvals for the installation or operation of strategic investments, the competent licensing authorities include the General Directorate of Strategic Investments of the General Secretariat for Private Investments and Public - Private Partnerships of the Ministry of Development and Investments.</p>	

s/a	Incentives	Content	Article 4864/21
		<p><b>Special provision for the modification of an investment plan in case of RES projects:</b></p> <p>It is noted that if insurmountable legal or factual obstacles are found in the process of licensing investment plans for the production of energy from RES, as well as these accompanying projects that are part of an investment plan, which have been included in the Strategic Investments of Law 4864/21 and Law 4608/2019 (previous Law on Strategic Investments), their installation in another, similar or considered as like area is allowed, in compliance with the relevant provisions on licensing, in particular Article 3 of Law 4203/2013 (A' 235). The above amendment of the investment plan is approved by decision of the competent body of the Ministry of Development and Investments, following an application by the investment body to the Hellenic Investment and Foreign Trade Company S.A., which forwards the request to the General Secretariat for Private Investments and Public - Private Partnerships. The investor requests the approval of the relevant amendment of the approved investment plan to the Hellenic Investment and Foreign Trade Company S.A., without this constituting an impermissible change of its investment plan or a change which would require the prior approval of the ICSI.</p>	

s/a	Incentives	Content	Article 4864/21
4.	Cost support	<p>Aid may be <b>granted</b> by a decision of the ICSI in the form of a grant, consisting of the provision of a sum of money to cover part of the aided costs and determined as a percentage of them:</p> <ul style="list-style-type: none"> <li>• Aid for the recruitment of disadvantaged workers and persons with a disability or chronic condition, combined with other State aid received by the investment body, may not exceed five million (5 000 000) euros per investment project.</li> <li>• Aid for research and development projects, where the project concerns industrial research, experimental development or feasibility studies which, in aggregate with other State aid received by the investment body, may not exceed for projects: <ul style="list-style-type: none"> <li>• Of industrial research, twenty million (20 000 000) euros, per investment project,</li> <li>• Of experimental development, fifteen million (15 000 000) euros, per investment project, and</li> <li>• Of feasibility studies and preparation of research activities, seven million five hundred thousand (7 500 000) euros, per investment project.</li> </ul> </li> <li>• The above can also be granted cumulatively, provided that they do not exceed set limits.</li> </ul> <p>*Only for Emblematic Investments of Exceptional Importance*</p>	10

s/a	Incentives	Content	Article 4864/21
		<p>They may receive aid, whether disjunctively or cumulatively, in the following form:</p> <ul style="list-style-type: none"> <li>• The <b>grant</b>, which consists of the provision of a sum of money by the State to cover part of the aided costs and is determined as a percentage of them,</li> <li>• the <b>leasing subsidy</b>, which consists of the coverage by the State of part of the financial leasing instalments paid, which is concluded for the acquisition of new mechanical and other equipment and is determined as a percentage of the acquisition value of the one allocated and contained in the installments paid,</li> <li>• subsidizing <b>the cost of created employment</b>, which consists of the coverage by the State of part of the wage costs of the new jobs created and linked to the investment plan.</li> </ul>	

## 4. OTHER PROVISIONS

The possibility of imposing penalties for non-compliance with the terms of the investment is determined, which may lead to the declassification of the investment by the ICSI.

Also, a procedure for monitoring the implementation of the investment is defined (article 18) while **the Memorandum of Understanding (of Article 20 of Law 4608/2019) is repealed**, since it was not legally binding and only burdened the procedure.

However, penalties, up to and including declassification, are laid down for failure to comply with the conditions of the investment (Article 19).

With regard to disputes arising from strategic investments, the possibility of an Arbitral Resolution is provided for (Article 21) and the procedure is determined, while as far as jurisdiction is concerned, the special jurisdiction in the Council of State is redefined (Article 22).

## 5. THE ISSUE OF THE TRANSITIONAL PROVISION OF ARTICLE 30 OF LAW 4864/21

With subpar. g) of para. 1 of article 30 of Law 4864/2021, among others, article 24 of Law 3894/2010 which introduced the concept of ESCHASE, has been explicitly repealed. Quite obviously, the aim was to abolish it only for investments that will be introduced by Law 4864/2021, as the new Law provides for the corresponding procedure for the issuance of ESCHASE with its article 7, which provides the siting incentive, as mentioned extensively above.

However, no transitional provision was inadvertently provided for, according to which Article 24 of Law 3894/2010 would remain in force for investment projects introduced by Laws 3894/2010 and 4608/2019. Therefore, on any legal basis for codification of legislation if one looks back, Article 24 of Law 3894/2010 appears to have been repealed. In any case, problems arise with administrative acts (especially PDs) that must be issued after the issuance of Law 4864/2021 but have been subject to a previous legal status, as their legal basis has been explicitly abolished and there is no enabling provision for their issuance.

In addition, article 151 of Law 4876/21 amended para. 5 of Article 29 of Law 4864/21, in order to clarify the above ambiguity, where it was stipulated that "without prejudice to the last paragraph of para. 3 of article 2, the **pending applications** for investment projects, which have been submitted for evaluation to the Hellenic Investment and Foreign Trade Company S.A. pursuant to Laws 3894/2010 (A' 204) and 4608/2019 (A' 66), **for which the evaluation process has not been completed and the relevant decision of the Interministerial Committee for Strategic Investments (ICSI) has not been issued by the entry into force of the present, are assessed and receive the incentives of the Law under which the relevant application for membership has been submitted.**" In addition, the possibility for institutions to request the amendment of their applications in order to be subject to the new regime of 4864/21 was explicitly defined.

## 6. ENVIRONMENTAL PROVISIONS (ARTICLE 3)

For the realization of the Strategic Investments, the prior Decision for the Approval of Environmental Terms (A.E.P.O.) for category A projects, as well as the act of inclusion in Standard Environmental Commitments (P.P.D.) for category B projects, granted by a decision of the competent body of the Ministry of Environment and Energy within the meaning of article 109 of Law 4622/2019 (A' 133), are required, by way of derogation from any other provision concerning the competence to approve environmental conditions.

For this purpose, an application, accompanied by the supporting documents provided for per subcategory of the project of Law 4014/2011 (A' 209), is submitted to the competent service of the Ministry of Environment and Energy. Specifically, if the opinion of the Environmental Permitting Council of article 13 of Law 4014/2011 (A' 209) is required, the competent body is the Central Council for Environmental Permitting (KESPA) regardless of the category of the project or the activity. For the rest, Law 4014/2011 applies.

For strategic investment projects of article 5, as well as other projects for which the receipt of an operating license is not provided by the legislation, which are classified in category B according to the third paragraph of para. 1 of article 1 of Law 4014/2011, their inclusion in Standard Environmental Commitments (P.P.D.), is made, by way of derogation from any other provision, as follows:

- a)** If the project or activity is located in whole or in part within a NATURA 2000 network area, with the exceptions of paragraph 6 of article 10 of Law 4014/2011, a decision of the competent body of the Ministry of Environment and Energy is issued for the inclusion in a Presidential Decree and the issuance of the additional terms of para. 3 of article 10 of Law 4014/2011, if the procedure of the Special Ecological Assessment reveals that such conditions are required,
- b)** in any other case except per. a), a decision is issued for the inclusion of the project or activity in a P.P.D. by decision of the Directorate of Environmental Permitting of the Ministry of Environment and Energy. (Article 3(1))

It is explicitly stated that the implementation of a strategic investment is not allowed in areas of the NATURA network, which have been designated as areas of absolute nature protection according to par. 1 and 2 of article 19 of Law 1650/1986 (A' 160). (Article 3(2))

The **delimitation of watercourses** is regulated (Article 3(3)). Without prejudice to article 4 of Law 4258/2014 (A' 94), for those of the investments of per. a) of para. 1 of article 2 is required, within the area in which they are located, delimitation or channeling of watercourses, according

to article 1 of Law 4258/2014 or the application of para. 3 of article 2 of the same Law on partial delimitation, the act of ratification provided for in article 3 of Law 4258/2014 of the definition of the boundary lines and the works for the channeling of the water stream, as well as the necessary works for the industrial activity, related to the total or partial delimitation or re-delimitation or arrangement of the water streams, is issued by the Minister of Environment and Energy, following a recommendation by the Directorate of Urban Planning of the Ministry of Environment and Energy according to subpar. 3.2 of para. a of article 3 of Law 4258/2014.

In addition, it is provided that the other provisions of article 3 of Law 4258/2014 apply accordingly.

## 7. SPATIAL AND TOWN PLANNING PROVISIONS (ARTICLES 4, 23-25)

It is explicitly stipulated that for the realization of Strategic Investments in areas within approved city plans, specific and special derogations from the current terms and restrictions of building of the area are allowed, as these are defined and specified in the respective Spatial Frameworks, as well as in the New Building Regulation (Law 4067/2012, A' 79) (Article 4(1))

The above derogations are determined by presidential decree, issued on the proposal of the Minister of Environment and Energy, following the opinion of the Central Council for Urban Planning Issues and Disputes (KE.SYP.O.THA.) and after the preparation of a **study of a Special Urban Plan (E.P.S.)**, in accordance with article 8 of Law 4447/2016 (A' 241) and may concern:

**a)** The distances of the buildings from the boundaries of the plot, as well as the distances between the buildings and other installations, **b)** the building coefficient, **c)** the coefficient by volume of exploitation, **d)** the coverage, and **e)** the height, with the exception of the height of the lighting pillars, which is determined by the corresponding study of phototechnical coverage (Article 4(2))

It is clarified that if the specific derogations of para. 2 fall within the boundaries of an archaeological site or near a monument, the prior approval of the Ministry of Culture and Sports is required, in accordance with article 10 of Law 3028/2002 (A' 153) in conjunction with para. 4 of Article 12 of that Law. (Article 4(3)).

It is also stipulated that the Special Urban Plans (EPSs), issued on the proposal of the Minister of Environment and Energy, as well as the Local Urban Plans (TPSs), may be amended by Presidential Decrees approving them.

In the definition of public estates that have the right of surface of the first paragraph of par. 4 of article 18 of Law 3986/2011 (A' 152), real estate belonging to ecclesiastical institutions of private Law is included. In para. 1 of article 18 of Law 4276/2014 (A' 155), on the creation of condo hotels, a paragraph c. is added, according to which the creation of condo hotels is also allowed in the areas of tourism - recreation development, of the areas of organized tourist activities, which are approved by the Special Spatial Development Plans for Strategic Investments (ESCHASE) of article 11 of Law 4608/2019 (A' 66) or article 24 of Law 3894/2010 (A' 204). In these areas, for the establishment of divided properties in condo hotels, para. 2 of article 1 of L.D. 1024/1971 (A'

232), on the establishment of divided properties is not applied. (Article 25).

With regard to the pre-approval of a building permit for strategic investments, it is provided that, instead of the Local Building Authority (YDOM), for the investment plans that have been included in the Strategic Investments in accordance with the relevant legislative framework on strategic investments, as well as for the investment plans, which have been submitted for evaluation to the Hellenic Investment and Foreign Trade S.A. company pursuant to the same legislative framework, the pre-approval is issued by the General Directorate of Strategic Investments of the Ministry of Development and Investments (Article 27).

It is possible to extend the ESCHADA and ESCHASE up to 20% of the area instead of up to 15% provided for, by a JD of the co-competent ministers (article 24 which amends article 12 of Law 3986/2011 par. 6).

The special urban and spatial planning regulations are made with parallel improvements of the provisions of Law 3986/2011 regarding land use, especially with a view to modernizing this framework and adapting it to the evolution of spatial Law. Thus, the possibility of constructing permanent installations of film productions (studios) is added as a land use, while logistics enterprises and data centers and technological support centers of enterprises and other accompanying activities are added as separate land uses.

In general, the references to the legislation on land use are updated and article 11 of Law 3986/2011 (Article 23) is reformulated in total.

## 8. ARRANGEMENTS FOR THE CONCESSION OF THE SHORELINE AND THE BEACH (ARTICLE 5):

A specific framework is defined for the realization of Strategic Investments. Thus, it is allowed to grant to the operator the right to use the seashore, beach, continuous or adjacent sea area or the seabed. The procedure followed by the investment body for this purpose is described.

In particular, the concession to the investor of the right to use the above is allowed after the issuance of the presidential decree of ESCHASE and in accordance with the specific terms set out in it, followed by the relevant Joint Ministerial concession decisions.

## 9. ARRANGEMENTS FOR COMPLEMENTARY AND ACCOMPANYING PROJECTS (ARTICLE 6):

Complementary projects are those of a temporary nature, which aim to serve strategic investments during the construction stage, such as quarries, loan chambers, makeshift office facilities.

Accompanying projects are understood to mean projects of a permanent nature to support the strategic investment, such as the projects required to connect to the electricity, telecommunications, natural gas, water and sewerage networks, as well as access roads and junctions connecting the areas of the installation of the projects with the national and provincial road network and with the main road network of the region.

By a joint decision of the competent bodies of the Ministries of Environment and Energy, Infrastructure and Transport and the competent Ministries, which is issued at the request of the General Directorate for Strategic Investments of the Ministry of Development and Investments, the complementary and accompanying external infrastructure projects, which are necessary to serve specific Strategic Investments, are defined, provided that their cost is not disproportionately high in relation to the total cost and the strategic nature of the investment. The operators of the investment projects which apply for the incentive of accelerated authorisation, may apply in the same application for the receipt of the incentive of accelerated licensing for the complementary and accompanying works.

# CATEGORIES, CRITERIA AND INCENTIVES OF THE LAW

STRATEGIC INVESTMENT CATEGORY		INCENTIVE									
		"ART. 2 PARA. 2 ESTABLISHMENT & TAX RESIDENCE"	ART. 7 CITING	"ART. 8 PARA. 1 TAX RATE STABILIZATION"	"ART. 8 PARA. 2A TAX EXEMPTION"	"ART. 8 PARA. 2B TAX DEPRECIATION ACCELERATION"	ART. 9 ACCELERATED LICENSING	ART. 10 PARA. 1A RECRUITMENT OF WORKERS	ART. 10 PARA. 1B FINANCIAL AID	ART. 10 PARA. 3 SPECIAL FINANCIAL AID 100% EU 651/14	"ART. 10 PARA. 3 SPECIAL FINANCIAL AID 80% EU 651/14"
STRATEGIC INVESTMENTS 1	> € 75,000,000	✓	✓	✓			✓				
STRATEGIC INVESTMENTS 1	> € 40,000,000 & 75 AWUS	✓	✓	✓	✓	✓	✓	✓	✓		
STRATEGIC INVESTMENTS 2	> € 20,000,000 IN CERTAIN SECTORS	✓		✓	✓	✓	✓	✓	✓		
STRATEGIC INVESTMENTS 2	>€ 30,000,000 & 50 AWUS	✓		✓	✓	✓	✓	✓			
STRATEGIC INVESTMENTS 2	"WITHIN ORGANIZED SOCKETS & > € 20,000,000 & 40 AWUS"	✓		✓	✓	✓	✓	✓			
EMBLEMATIC INVESTMENTS OF EXCEPTIONAL IMPORTANCE	DISTINGUISHED LEGAL ENTITIES	✓	✓	✓	✓	✓	✓	✓	✓	✓	
EMBLEMATIC INVESTMENTS OF EXCEPTIONAL IMPORTANCE	INSIDE DELIGNITIZATION ZONES	✓	✓	✓	✓	✓	✓	✓	✓	✓	
EMBLEMATIC INVESTMENTS OF EXCEPTIONAL IMPORTANCE	OUTSIDE DELIGNITIZATION ZONES	✓	✓	✓	✓	✓	✓	✓	✓		✓
FAST-LICENSING STRATEGIC INVESTMENTS	> € 20,000,000 & 30 AWUS	✓					✓	✓			
FAST-LICENSING STRATEGIC INVESTMENTS	> € 10,000,000 & 30 AWUS & STRATEGIC	✓					✓	✓			
FAST-LICENSING STRATEGIC INVESTMENTS	EXISTING & > € 15,000,000 & 100 EXISTING AWUS	✓					✓				
AUTOMATIC STRATEGIC INVESTMENTS	PROJECTS OF PUBLIC-PRIVATE PARTNERSHIP	✓		✓			✓				
AUTOMATIC STRATEGIC INVESTMENTS	PROJECTS OF COMMON INTEREST (PCI)	✓		✓			✓				
AUTOMATIC STRATEGIC INVESTMENTS	€ 20,000,000 IPCEI	✓		✓			✓				
"STRATEGIC INVESTMENTS OF SPATIAL ORGANIZATION OF ENTERPRISES"	"BUSINESS PARKS OF LAW 3982/2011, > € 10,000,000 > 500 ACRES "	✓	✓	✓	✓	✓	✓				
RENEWABLE ENERGY SOURCES (AN EXCEPTION)	>€75,000,000 & TO BE CHARACTERIZED AS STRATEGIC	CATEGORIES: <b>AA</b> ) HYDROGEN PRODUCTION <b>AB</b> ) OFFSHORE WIND AND PV PARKS <b>AC</b> ) NON-INTERCONNECTED <b>AD</b> ) FULLY CONTROLLED POWER GENERATION <b>AE</b> ) STORAGE SYSTEMS									
DELIGNITIZATION	REGION WITH A JUST TRANSITION PLAN	25% BUDGET REDUCTION TO BE CHARACTERIZED AS STRATEGIC									



# STRATEGIC INVESTMENTS

**Handbook**  
**of the new provisions**  
**under Law 4864/2021**

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