



Elevating your business



NEW DEVELOPMENT LAW 2022 - GREECE STRONG GROWTH

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I. Purpose

The purpose of the new Development law (L.4887/2022) is to promote the economic development of Greece by providing incentives to certain business activities and sectors.

To that end, the new Development Law introduces provisions that aim at speeding up all procedures regarding the evaluation, approval, control, and certification of the investment plans falling under the aid schemes it provides.

II. The 13 Aid Schemes

The new development law 2022 defines 13 new aid schemes and introduces for the first time a thematic orientation instead of a horizontal dimension. Each scheme focuses on specific sectors of the Greek economy.

The 13 aid schemes are:



1. Digital and Technological Transformation
2. Green Transition – Environmental Upgrade
3. New Business
4. Fair Development Transition
5. Research and Applied Innovation
6. Agri-food – Primary Production and Processing of Agricultural Products – Fisheries and Aquaculture
7. Manufacturing – Supply Chain
8. Business Extroversion
9. Support for Tourist Investments
10. Alternative Forms of Tourism
11. Large-scale Investments
12. European Value Chains
13. Entrepreneurship 360o

III. Maximum Thresholds of Incentives

According to the New Development Law 2022, the maximum amount of aid may not exceed:

A. The amount of 10,000,000€ per submitted investment plan	B. The amount of 20,000,000€ per individual company	C. The amount of 30,000,000€ per cooperating or affiliated companies
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**with the exception of those schemes that specify either a larger or a smaller amount.*

IV. Minimum Investment Plan Threshold

The minimum amount of eligible costs of an investment plan for its inclusion in the aid schemes of the new Development Law 2022 is determined according to the size of the company.

Eligible costs are defined as the total amount resulting from the sum of all eligible costs included in the investment plan. Specifically:

- For the large enterprises, the minimum eligible amount is 1,000,000€
- For the medium enterprises, the minimum eligible amount is 500,000€
- For the small enterprises, the minimum eligible amount is 250,000€
- For the very small enterprises, the minimum eligible amount is 100,000€
- For the Social Cooperative Enterprises, Agricultural Cooperatives, Producer Groups, Producer Organizations, Civil Law Cooperative, Agricultural Corporate Partnerships the minimum eligible amount is 50,000€

- ▶ A **medium-sized** enterprise is defined as a company with less than 250 employees and the annual turnover and/or annual balance sheet does not exceed EUR 43 million.
- ▶ A **small enterprise** is defined as a company with less than 50 employees and the annual turnover and/or annual balance sheet does not exceed EUR 10 million.
- ▶ A **micro-enterprise** is defined as a company with less than 10 employees and the annual turnover and/or annual balance sheet does not exceed EUR 2 million.

V. Types of Aid

According to the new development law 2022, the type of aid the eligible investment plans will be benefited from depends upon:

Subsidy

Partial financial coverage of the eligible costs of the submitted investment plan.

Tax Exemption

Exemption from the payment of income tax on the pre-tax profits realized from the total activities of the company.

Leasing subsidy

Partial financial coverage of the leasing installments for the acquisition of new machinery and other equipment.

Employment cost subsidy

Partial financial coverage of the employment costs of new jobs created which are not already funded by any other state aid.

Funding of Corporate Risk (only for the “New Business” scheme)

Interest rate subsidy for subordinated loans or insurance costs for high-yield loans.

The types of aid that an investment project will receive depend on:

- The region in which the investment plan will be implemented
- The aid scheme to which the investment project belongs
- The size of the business
- The eligible costs

Regional Aid Map - New Developmental Law



*Eastern - Western Attica, Pireaus & Islands

25% 35% 45%

VI. Regional Aid Map

The new Map of Regional Aid 2022-2027 defines the aid percentages that will be received by the respective investment plans depending on the regional area of implementation, as well as the size of the enterprise.

VII. Initial Investment Character

The submitted investment plans to be eligible for the incentives of the regional aid map should meet one of the following conditions:

- Creation of a new unit
- Expansion of the capacity of an existing unit
- Diversification of the output of a unit into products or services that have not been produced in the unit before
- Fundamental change in the overall production process of an existing unit

If a submitted investment plan does not meet one of the following conditions of the Initial Investment Character, then it is not eligible for the incentives of the regional aid map. On the other hand, it might still be eligible for other incentives worth one million euros.

VIII. Procedure – Submission, Assessment, and Review

The new Development Law introduces provisions that aim at speeding up all procedures regarding the evaluation, approval, control, and certification of the investment plans falling under the aid schemes it provides.

Submission - The application for inclusion, as well as the required documentation are submitted mandatory through Development Law Information System.

Assessment - For the inclusion in the aid schemes of the New Development Law, an assessment of the investment plans is required to be carried out. The process includes a review of legality, as well as an evaluation of the reasonableness of cost elements and of certain rating indicators.

Review - Investment plans subject to aid schemes are audited during their implementation, at the stage of completion and commencement of the productive operation of the respective investment, and for their compliance with their long-term obligations.

- ▶ **Direct Assessment** - the evaluation and approval should not exceed 30 days from the moment the investment plan is submitted.
- ▶ **Comparative Assessment** - the evaluation and approval should not exceed 45 days from the moment the respective aid scheme has expired.
- ▶ In case the evaluation and approval exceed these time frames, the assessment is passed to a certified auditor, who must complete the procedure within 10 working days after the assignment.



At QBC, our vision is to make the differential advantage for our clients through advisory and side-by-side services.

Our Mission is to support companies to create the added value they seek and reach the most promising goals.

Aiming at the prosperity and profitability of your business, we offer Consulting, Tax, Accounting, Auditing, Human Resources, as well as Funding Services.

QBC Consultants have created specific solutions for specific sectors of the economy. The needs and aspirations of each company are unique, which is why our Consultants design and implement personalized action plans tailored to each of our clients.

Specialized Solutions

Knowing the specifics of the different business sectors of the economy, our Consultants have developed specialized solutions for the satisfaction of your unique needs and desires.

Funding Services

By providing the funding services, QBC's purpose is to help your company to find and receive the necessary capital so that you ensure a sustainable and profitable future. Our consultancy firm employs consultants with multi-year experience and know-how in submitting funding proposals in national and european funding programmes. Our Consultants, for the fiscal year 2021, secured funds for 120 new customers.

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