

NEW INVESTMENT LAW-L.3908/2011

SUBSIDIES UP TO 50% - GRANTS UP TO 3.000.000.000€

1. Beneficiaries

Beneficiaries are all the enterprises, of any business sector, which conform to the criteria that have been determined by the [law](#)

2.Types of Benefits

- ✓ **Tax reduction:** tax reduction comprising exemption from payment of income tax on profit before taxes which result, according to tax law, from any and all of the enterprise's activities.
- ✓ **Subsidy:** gratis payment by the State of a sum covering a percentage of the subsidised expenditure of the investment.
- ✓ **Leasing subsidy:** includes payment by the State of a portion of the installments paid under a leasing agreement executed to acquire new machinery and/or other equipment.
- ✓ **"Soft" loans by ETEAN** (National Fund for Entrepreneurship and Development): the amount to be covered by a bank loan may be funded by soft loans from credit institutions that cooperate with ETEAN enterprises.

The aid referred to as above shall be aggregated for the purpose of determining the total amount of aid allocated to the investment project. In this case the benefit of the above funding above is included in total aid, which may not exceed the limits delineated on the Regional State Aid Map.

3. INVESTMENT CATEGORIES

A. GENERAL STATUS

1. General Entrepreneurship

Target Group: all enterprises irrespective of sector.

Provides: tax breaks of up to 100% of the maximum allowable amount of aid.

- ✓ The aid for the tax reduction during 2011 has been determined for the first six months of the year up to **1.000.000.000€** and for the second half of the year up to **600.000.000€**

Examples of potential investment projects:

- ✓ Establishment, expansion, modernization of hotel units / or traditional buildings in at least 3 ***
- ✓ Wind farms, other investment projects in renewable energy (excluding solar parks)
- ✓ Industrial sector
- ✓ Sector of Logistics

2. Regional Cohesion

Target Group: investors with projects that address local needs or capitalise on local competitive advantages.

Provides: all forms of aid. The subsidy rate and leasing subsidy may reach up to **70%** of the maximum allowable amount of aid. For new enterprises this percentage is increased by **10 percentage points**.

- ✓ The aid for the tax reduction during 2011 has been determined for the first six months of the year up to **200.000.000€** and the aid of the subsidy and leasing subsidy up to **500.000.000€**

Examples of potential investment plans:

- ✓ Establishment, expansion, modernization of hotel units / or traditional buildings in at least 3 ***

- ✓ Wind farms, other investment projects in renewable energy (excluding solar parks)
- ✓ Industrial sector
- ✓ Sector of Logistics

3. Technological Development

Target Group: enterprises that invest in innovation and want to upgrade their technology infrastructure.

Provides: all forms of aid. The rate of subsidy and leasing subsidy may reach up to **80%** of the maximum allowable amount of aid.

- ✓ The aid for the tax reduction during 2011 has been determined for the first six months of the year up to **40.000.000€** and the aid of the subsidy and leasing subsidy up to **100.000.000€**. In case the amount of aid won't be allocated in the first half of the year it is going to convey in the second half of the year

Examples of potential investment plans:

A. Industrial sector

B. In the sector of water supply & sewage treatment, waste management and remediation activities.

BMS MANAGEMENT CONSULTANTS S.A.

B. SPECIAL STATUS

4. Youth Entrepreneurship

Target Group: investors from **20-years to 40-years** old.

Provides: aid for virtually all costs (including operational) for five years from the start of the business. Total aid may reach up to **1,000,000€**.

5. Large Investment Plans

Target Group: investments with a budget of at least **50,000,000€**.

Provides: all forms of aid, either in one form or a combination of forms. The level of aid decreases as the amount of investment increases. The percentage of the subsidy may not exceed 60% of total aid.

6. Integrated, Long-term Business Plans

Target Group: companies legally formed at least five years previous to application, to implement integrated long-term **(2-5 years)** business plans with a budget of at least **2,000,000 €** in total.

Promotes: technological, administrative, organisational and business modernization **100%** of the maximum regional aid applicable shall be granted.

7. Partnerships and Networking

Target Group: partnerships and networking configurations or clusters. These clusters shall be comprised of at least ten enterprises in the Region of Attica and the Thessaloniki Prefecture and of at least five enterprises in other prefectures, operating in the form of a consortium.

Provides: for any form of aid.

4. Eligible expenditures

The investment plans which come under the provisions of the present law in application of the Block Exemption Regulation shall receive aid for the following expenditure:

A. Tangible assets, such as:

- ✓ The construction, extension and modernisation of buildings or special or auxiliary facilities and the cost of landscaping the surrounding area.
- ✓ These costs shall not exceed **40%** of the total eligible expenditure of the investment plan.

B. Intangible assets, such as:

- ✓ The cost of quality assurance and control systems, certification and the supply and installation of software and business systems and expenditure connected with the transfer of technology through the purchase of intellectual property rights, user licences, patents, know-how and unregistered technical knowledge etc.
- ✓ The cost of subsidised intangible assets shall not exceed fifty per cent (**50%**) of the total eligible expenditure of the investment plan.

C. Research, development and innovation projects and programmes relating to the enterprise's business and products implemented by the enterprise either on its own or in collaboration with research foundations and agencies and advanced and higher education establishments in Greece or the EU.

5. Investor's own contribution

- ✓ The percentage of the investor's own contribution to investments which qualify for capital grant shall be no less than **twenty-five per cent (25%) of the eligible expenditure.**
- ✓ The percentage of the own contribution to the investment approved in the decision awarding the aid cannot be reduced once the decision has been issued.
- ✓ For investments included in the tax reduction scheme, the beneficiary must contribute at least twenty-five percent (25%) of the investment costs, either through equity or through external financing, provided that tranche does not contain any state aid.
- ✓ The terms, conditions, composition and method of calculation of the investor's own contribution, depending on the legal form of the investment vehicle and type of aid and the investor's obligations in terms of the own contribution shall be stipulated by presidential decree issued on a proposal from the Minister for the Economy, Competitiveness & Shipping.

BMS MANAGEMENT CONSULTANTS S.A.

6. Timetable of the submission of investment plans

Applications for aid for investment plans under the present law must be submitted in April and October, with the exception of large investment plans, which may be submitted at any time.

NOTE: The entire application and evaluation process shall not exceed **6 months**

7. Percentages of Aid

Region	Prefecture	Zone	Percentage of aid		
			Large enterprises	Medium-size enterprises	Small and micro enterprises
South Aegean	Cyclades	C	15%	25%	35%
	Dodecanese	C	15%	25%	35%
Sterea Ellada	Fthiotida	B	15%	25%	35%
	Fokida	B	20%	30%	40%
	Evia	B	15%	25%	35%
	Viotia	A	15%	20%	25%
	Euritania	C	20%	30%	40%
Central Macedonia	Thessaloniki	B	30%	35%	40%
	Halkidiki	B	30%	35%	40%
	Kilkis	C	30%	40%	50%
	Pella	C	30%	40%	50%
	Imathia	C	30%	40%	50%
	Pieria	C	30%	40%	50%
	Serres	C	30%	40%	50%
Western Macedonia	Grevena	C	30%	40%	50%
	Kozani	B	30%	35%	40%
	Florina	C	30%	40%	50%
	Kastoria	C	30%	40%	50%
Attica	Attica	A	15%	20%	25%
Thessalia	Larissa	B	30%	35%	40%
	Magnissia	B	30%	35%	40%
	Karditsa	C	30%	40%	50%
	Trikala	C	30%	40%	50%
Ionian Islands	Corfu	C	30%	40%	50%
	Lefkada	C	30%	40%	50%
	Kefallinia	C	30%	40%	50%
	Zakynthos	C	30%	40%	50%
Crete	Heraklion	B	30%	35%	40%
	Hania	B	30%	35%	40%
	Lassithi	B	30%	35%	40%
	Rethymnon	B	30%	35%	40%
Peloponnese	Lakonia	C	30%	40%	50%
	Messinia	C	30%	40%	50%
	Korinthia	B	30%	35%	40%
	Arkadia	B	30%	35%	40%
	Argolida	B	30%	35%	40%
North Aegean	Mytilene	C	30%	40%	50%
	Chios	C	30%	40%	50%
	Samos	C	30%	40%	50%
Eastern Macedonia/Thrace	Kavala	C	40%	45%	50%
	Xanthi	C	40%	45%	50%
	Rodopi	C	40%	45%	50%
	Drama	C	40%	45%	50%
	Evros	C	40%	45%	50%
Epirus	Ioannina	C	40%	45%	50%
	Arta	C	40%	45%	50%
	Preveza	C	40%	45%	50%
	Thesprotia	C	40%	45%	50%
Western Greece	Achaia	C	40%	45%	50%
	Etoloakarnania	C	40%	45%	50%
	Ileia	C	40%	45%	50%

The Company....

BMS Management Consultants S.A. was founded in 1996 by experienced Engineers and Economists and is a fast growing consulting services company, with a distinguished participation in European research projects. BMS has a sound customer list and a variety of very successful projects, but also a considerable presence in European and national funded projects.

BMS also provides consulting services for the improvement of the business processes and operations of industrial, construction & public works, commercial and tourist enterprises, in the areas of logistics, programming and control of production, warehouses, distribution, costing and marketing, as well as customer relationship management (CRM).

BMS was certified according to the **ISO 9001:2000** standard in 2008 by the Greek Organization of Inspection and Certification named EQA Hellas.



BMS MANAGEMENT CONSULTANTS S.A.