

Greece

LAW NO. 5202/2025 Government Gazette 84/A/23-5-2025 Adoption of measures implementing Regulation (EU) 2019/452 establishing a framework for the screening of foreign direct investments in the Union on grounds of security or public order (2025)

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LAW NO. 5202/2025 Government Gazette 84/A/23-5-2025 Adoption of measures implementing Regulation (EU) 2019/452 establishing a framework for the screening of foreign direct investments in the Union on grounds of security or public order

THE PRESIDENT

OF THE HELLENIC REPUBLIC

We issue the following law passed by the Parliament:

PART A PURPOSE - OBJECT

Article 1 - Purpose

The purpose of the law is to ensure the alignment of national measures with Union law in the implementation of Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 (L 79/1) and to protect security and public order from the risk that certain foreign direct investments may pose to the country.

Article 2 - Object

The purpose of this law is to specify measures for the implementation of Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments in the Union (L 79/1), as well as to establish and define the scope and mode of operation of the national mechanism for screening foreign direct investments on grounds of security or public order.

PART B MEASURES IMPLEMENTING REGULATION (EU) 2019/452 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 19 MARCH 2019 ESTABLISHING A

FRAMEWORK FOR SCREENING FOREIGN DIRECT INVESTMENT IN THE UNION AND A MECHANISM FOR SCREENING FOREIGN DIRECT INVESTMENT ON GROUNDS OF SECURITY OR PUBLIC ORDER

CHAPTER I DEFINITIONS - SCOPE

Article 3 - Definitions

For the purposes of this document, the following definitions apply:

1. Undertaking: any entity, regardless of its legal form, engaged in an economic activity. These include self-employed individuals and family businesses engaged in a craft or other activity, as well as partnerships or associations of persons regularly engaged in an economic activity.
2. Foreign investor: a foreign natural person or company that intends to make or has made a foreign direct investment in accordance with par. 1 of Article 2 of Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments in the Union (L 79).
3. Target enterprise: an enterprise established or to be established, under Greek law or otherwise governed by it, in which a foreign direct investment or joint venture with the participation of a foreign investor is to be carried out or has already been carried out.
4. Screening mechanism: this Law and the accompanying administrative requirements, implementing provisions or guidelines setting out the terms, conditions and procedures for the screening of foreign direct investment on grounds of security or public order.
5. Interministerial Committee for the Control of Foreign Direct Investments for Reasons of Security or Public Order (D.E.A.A.X.E.): the collective government body, in accordance with Articles 8 and 9 of Law 4622/2019 (A' 133), which carries out the audit of foreign direct investments that fall within the scope of the present and in which the Ministries of Foreign Affairs and Development must participate and other members of the Council of Ministers may participate, Deputy Ministers, public officials and employees, representatives of independent authorities, social partners and other bodies, in accordance with the provisions of the Act of the Council of Ministers of par. 1 of article 8 of Law 4622/2019.
6. Completion of investment: the point in time at which the last suspensive condition is fulfilled in relation to an investment decision of the parties to the foreign direct investment.

Article 4 - Scope

1. The scope of the present includes:
 - a) Foreign direct investments made in Greece, when the conditions of article 6 are met,
 - b) foreign direct investment made in other Member States of the European Union, which is subject to an assessment on grounds of security or public order in accordance with Article 11.
2. The following are excluded from the scope of this Law:
 - a) The acquisition of company titles by natural persons intended exclusively for financial investments, without the intention or possibility of influencing the management and control of the undertaking (portfolio investments).
 - b) Restructuring operations within a group of undertakings or the merger of several legal entities into a single legal entity, provided that the shares or the percentage of control and influence held by foreign investors are not increased or the transaction does not give rise to additional rights that result in a change in the effective participation of one or more foreign investors in the management or control of the target undertaking.
 - c) The pending tender procedures, for which a binding offer has been received, and the contracts for the development of assets that have not been completed by the entry into force of this Law.

CHAPTER II CONTROL MECHANISM AND PROCEDURES

Article 5 - Control mechanism instruments and control mechanism activation time

1. The Interministerial Committee for the Control of Foreign Direct Investments for reasons of security or public order (D.E.E.A.X.E.) and the Minister of Foreign Affairs shall be appointed as bodies of the control mechanism, which shall decide in accordance with Article 8.
2. The B1 Directorate for Extroversion Planning and Coordination of Extroversion Bodies of the Ministry of Foreign Affairs (hereinafter referred to as "B1 Directorate") operates as the secretariat of D.E.E.A.X.E.
3. The B1 Directorate acts as the coordinator of the audit process, ensuring the communication and coordination of the co-competent Ministries, depending on the subject of the audited investment, and with the bodies associated with the audited investment. During the screening process, the B1 Directorate is the exclusive point of contact for foreign investors, whose foreign direct investments fall within the scope of this document.
4. Foreign direct investment shall be subject to scrutiny prior to its completion

4. Foreign direct investment shall be subject to scrutiny prior to its completion.

5. Foreign direct investment to which the provisions of Article 9 apply shall be audited ex officio.

Article 6 - Application criteria

1. Foreign direct investment shall be screened for reasons of security or public order, provided that any of the following conditions are met:

a) it is carried out by a foreign investor of a third country and the target company is economically active in one of the sectors of the Annex, or
b) it is carried out by a foreign investor of a Member State of the European Union who: ba) is controlled, within the meaning of par. 2 to 5 of article 32 of Law 4308/2014 (A' 251), by a natural person or company of a third country, or bb) is controlled, directly or indirectly, by the government of a third country, including state bodies and the armed forces, inter alia, through the ownership structure or the provision of significant financing and the target company is economically active in one of the sectors listed in the Annex, or

c) it is carried out by a foreign investor of a Member State of the European Union, in which at least ten percent (10%) of a natural person or enterprise of a third country or a government of a third country, including state agencies and the armed forces, participates, inter alia, through the ownership structure or the provision of significant financing, and the target enterprise is economically active in one of the particularly sensitive sectors of the second part of the Annex.

2. The percentage of participation in the target enterprise on the basis of which a foreign direct investment is screened for reasons of security or public order is specified in the Annex, which is annexed hereto and forms an integral part thereof. For the calculation of the participation percentage, the following are counted:

a) shares and shares belonging to: aa) a company of the foreign investor's group, ab) a member of the foreign investor's family, ac) an organization or foundation controlled by the members of the foreign investor's family, as well as

b) non-company agreements concerning: ba) the exercise of voting rights, bb) the conclusion of a public contract for the provision of works or services, (bc) the conclusion of other contracts, such as purchase, lease, leasing, sale and repurchase or cooperation.

Article 7 - Submission of an investor's application for auditing

1. Prior to the completion of a foreign direct investment that meets the application criteria of Article 6, the foreign investor shall submit to the B1 Directorate the application and the required supporting documents (complete file) for the inclusion of the investment in the screening mechanism.

2. Within five (5) days from the receipt of the foreign investor's application, Directorate B1 confirms the inclusion of the foreign direct investment in the scope of this document and examines the formal completeness of the file. If the B1 Directorate detects errors or deficiencies within the above deadline, it asks the investor to send corrected or complete the supporting documents submitted.

3. Within ten (10) days from the receipt of the initial notification or from the correction or completion of the supporting documents, in accordance with par. 2, the B1 Directorate notifies the President of D.E.E.A.X.E. of the investment file and prepares its relevant meeting.

Article 8 - Screening Process

1. The D.E.E.A.X.E., within thirty (30) days from the notification of the investment file to it, either unanimously issues a decision exempting the investment from the audit or initiates the process of thorough investigation, following the recommendation of its member whose competence primarily falls on the foreign direct investment.

2. If the in-depth investigation procedure is initiated, Directorate B1 shall communicate the details of the controlled foreign direct investment to the European Commission and the other Member States, in accordance with Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for screening foreign direct investment in the Union (L 79).

3. The D.E.E.A.X.E. checks whether the foreign direct investment may affect the security or public order of the country. For this purpose, a relevant proposal is submitted by the member whose competence primarily falls under the foreign direct investment.

4. The D.E.E.A.X.E. may instruct the B1 Directorate to request from the investor additional information and necessary documents for the conduct of the thorough investigation and to invite him to a hearing, in the context of a special meeting. The D.E.E.A.X.E. may also assign to the B1 Directorate the search for additional information, in addition to that provided by the investor and allow it to request from any natural person or business access to any information or data that is useful for the exercise of the work of the D.E.E.A.X.E., without being subject to the restrictions of the legislation on tax, banking, stock exchange and any other confidentiality, with the exception of the lawyer, in accordance with par. 1 of article 39 of the Lawyers' Code (Law 4194/2013, A' 208), on the procedural framework for the practice of law. Delay in the submission of the information and documents herein is a reason for extending the deadline of par. 5.

5. Within thirty (30) days from the commencement of the in-depth investigation process, the

D.E.E.A.X.E. shall recommend to the Minister of Foreign Affairs the approval, prohibition or imposition of specific conditions or mitigation measures for the implementation of the investment, following the recommendation of its member whose competence primarily falls under the foreign direct investment. The D.E.E.A.X.E. may, by reasoned decision, extend this deadline by thirty (30) days.

6. If Directorate B1 receives information about the intention to submit comments from another Member State of the European Union or an opinion from the European Commission, in accordance with Articles 6 or 8 of Regulation (EU) 2019/452, the deadline of par. 5 is suspended until the day of the submission of comments by the other Member State of the European Union or the delivery of an opinion by the European Commission.

7. The receipt of an expert opinion in the context of the meetings of the D.E.A.A.X.E. suspends the deadline of par. 5 for twenty (20) days. In carrying out their duties for the purposes of this Decision, experts shall maintain the confidentiality of the information of which they become aware.

8. The Minister of Foreign Affairs decides on the approval, prohibition, reversal or imposition of specific conditions or mitigation measures for the implementation of the investment, following the recommendation of the D.E.E.A.X.E., within an indicative deadline of thirty (30) days from the submission of the proposal of the D.E.E.A.X.E. The non-issuance of a decision by the Minister of Foreign Affairs within sixty (60) days from the submission to him of the proposal of the D.E.A.A.X.E. shall be considered as a decision to approve the foreign direct investment.

9. If the target company is or is about to fall into a state of insolvency, following a decision of the D.E.A.A.X.E., the deadlines of this article are shortened by half.

10. In exceptional cases, the D.E.E.A.X.E. may recommend to the Minister of Foreign Affairs the imposition of mitigation measures or the prohibition of foreign investment, without conducting a thorough investigation. The Minister of Foreign Affairs shall decide on the case referred to in the previous paragraph within an indicative period of thirty (30) days from the submission of the recommendation of the D.E.E.A.X.E. The non-issuance of a decision by the Minister of Foreign Affairs within sixty (60) days from the submission to him of the proposal of the D.E.A.A.X.E. shall be considered as a decision to approve the foreign direct investment.

11. In order to make a decision or to make a recommendation, the D.E.E.A.X.E. may take into account, in particular:

- a) the factors referred to in Article 4 of Regulation (EU) 2019/452,
- b) the possibility that the foreign direct investment is likely to affect projects or programmes of Union interest listed in the Annex to Regulation (EU) 2019/452 for reasons of security or public order,
- c) whether the investor is subject to restrictive measures of the European Union, in accordance with Article 215 of the Treaty on the Functioning of the European Union.

Article 9 - Ex officio audit

The D.E.E.A.X.E., for reasons of security or public order, may initiate ex officio the procedure of article 8 for foreign direct investment falling within the scope of this document, if the investor does not submit an application for its inclusion in control, in accordance with article 7. In this case, par. 1 of article 14, on the effects of non-compliance, and article 15, on administrative sanctions.

Article 10 - Monitoring the implementation of mitigation, prohibition or reversal measures

In order to monitor the implementation of mitigation, prohibition or reversal measures of foreign direct investment, the B1 Directorate may request, following the issuance of a decision by the Minister of Foreign Affairs, the provision to it of copies of any document and any information necessary to carry out the audit. For this purpose, any natural person or business may be requested, by reasoned decision of the D.E.E.A.X.E., access to: a) any information or data that is useful for the exercise of the work of the D.E.E.A.X.E., without being subject to the restrictions of the legislation on tax, banking, stock exchange and any other confidentiality, with the exception of the lawyer's office, in accordance with par. 1 of article 39 of the Lawyers' Code (Law 4194/2013, A' 208), on the procedural framework for the practice of law, as well as b) in any form of file of a public authority or organization that keeps and processes personal data.

CHAPTER III MONITORING OF THE IMPLEMENTATION OF REGULATION (EU) 2019/452

Article 11 - Implementation of the Cooperation Instrument for Foreign Direct Investment in the European Union

1. Directorate B1 shall be responsible for the implementation of the cooperation mechanism on foreign direct investment likely to affect security or public order, in accordance with Articles 6, 7, 8 and 9 of Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for screening foreign direct investment in the Union (L 79).

2. Directorate B1 cooperates with the competent ministries and authorities for the notifications of controlled foreign direct investments received from other Member States of the European Union under Regulation (EU) 2019/452, as well as for all issues related to the cooperation mechanism for the

screening of foreign direct investments provided for by EU legislation. In this context, it may communicate to the above ministries and authorities information or data on the controlled foreign direct investments and request their comments. The intention to submit comments and the comments of the competent Ministries and authorities are submitted to the B1 Address no later than two (2) days before the expiration of the deadlines of par. 6 and 7 of Article 6 of Regulation (EU) 2019/452.

3. In the context of the implementation of Regulation (EU) 2019/452, Directorate B1 may request information from legal and natural persons regarding foreign direct investments planned to be completed or have been completed, which is provided within twenty-five (25) days.

4. Directorate B1 is responsible for the operation of the contact point, communication and cooperation with the other Member States of the European Union and the European Commission, in accordance with Article 11 of Regulation (EU) 2019/452.

5. The processing of personal data under the control mechanism is carried out in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (L 119), Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) 45/2001 and Decision 1247/2002/EC (L 295) and Law 4624/2019 (A' 137). Personal data related to the implementation of this document are retained only for the period of time required to achieve the purposes for which they were collected.

Article 12 - Annual reporting

By March 31 of each year, Directorate B1 shall submit a report to the European Commission, in accordance with Article 5 of Regulation (EU) 2019/452.

CHAPTER IV RESULTS OF NON-COMPLIANCE - ADMINISTRATIVE SANCTIONS

Article 13 - Consequences of prohibiting, reversing or imposing conditions or mitigating measures

The prohibition, reversal or imposition of specific conditions or mitigation measures for the implementation of foreign direct investment, by decision of the Minister of Foreign Affairs, in accordance with par. 8 of article 8, on the control procedure, entails the automatic nullity of the relevant investment transactions. The decision recognizes this invalidity and may impose, as the case may be, the reversal of the contract for the sale of the shares, the setting of a deadline to comply with the terms set by it, as well as the definition of any measure deemed necessary to remove the consequences of the transaction carried out. A foreign investor may continue to participate in the target undertaking if such participation does not exceed the limits set out in Article 6.

Article 14 - Results of non-compliance

1. The non-submission of an application for the inclusion of a foreign direct investment that falls within the scope of the present to an audit of Article 8 or the submission of an application after its completion, constitutes a reason for the imposition of mitigation or reversal measures.
2. Failure to submit all the documents and supporting documents required for the controlled foreign direct investment within the deadlines set out in Article 8, as well as the submission of false information, shall constitute grounds for prohibiting the investment.

Article 15 - Administrative penalties

1. In addition to the provisions of article 14, an administrative fine amounting to five thousand (5,000) euros to one hundred thousand (100,000) euros shall be imposed on a foreign investor in the following cases:
 - a) if he/she does not comply with the obligation to submit an application for a foreign direct investment audit that falls within the scope of this Law, or
 - b) fails to comply with the obligation to provide information or documents provided for herein, unless it has stated in writing that it renounces such foreign direct investment, or
 - c) if it makes false declarations or information to authorities competent to carry out screening or provide information on foreign direct investment.
2. In addition to the provisions of Article 14, an administrative fine shall be imposed on a foreign investor, which may amount to twice the value of the investment made in the following cases:
 - a) makes foreign direct investment, despite its prohibition by decision of the Minister of Foreign Affairs, or
 - b) receives approval of the investment with false information, or
 - c) does not comply with the mitigation measures or the reversal of the investment imposed by the Minister of Foreign Affairs.
3. The decisions of the Minister of Foreign Affairs of par. 1 and 2 for the imposition of administrative fines are taken, following a recommendation by the D.E.E.A.X.E. and after a prior hearing of the foreign

investor, who submits views before the Minister of Foreign Affairs within ten (10) days from the notification to him of a summons for a hearing.

CHAPTER V ENABLING PROVISIONS

Article 16- Enabling provisions

1. A joint decision of the Ministers of Foreign Affairs and Development shall determine the procedure and determine the application and the required supporting documents submitted by the foreign investor to Directorate B1 for the inclusion of the investment in the control mechanism of articles 7 and 8.
2. By joint decision of the Ministers of National Economy and Finance and Foreign Affairs, the body, the procedure and the method of collection of the administrative fines of par. 1 and 2 of article 15.
3. By joint decision of the Ministers of Foreign Affairs and Development and the competent Minister, the Annex may be amended.

PART C ENTRY INTO FORCE

Article 17 - Entry into force

The validity of the present shall commence upon its publication in the Government Gazette.

ANNEX

Part One - Foreign direct investment in sensitive sectors

1. Foreign direct investment shall be screened for reasons of security or public order, when it concerns infrastructure, assets, goods or services necessary in the fields of energy, transport, health, information and communication technologies or digital infrastructure and the participation rate in the target enterprise is at least twenty-five percent (25%).
2. Foreign direct investment shall be controlled, in the event of an increase in the participation in the target enterprise by thirty percent (30%), forty percent (40%), fifty percent (50%) and seventy-five percent (75%).

Part Two - Foreign direct investment in particularly sensitive sectors

Without prejudice to Chapter B of Law 1892/1990 (A' 101) on legal transactions in border areas, foreign direct investment is controlled for reasons of security or public order, when the percentage of participation in the target enterprise amounts to at least ten percent (10%) and the activity of the target enterprise concerns:

- (a) Infrastructure, assets, technologies, goods, or services, including research and development services, in the fields of: (aa) defence and national security, including:
 - (i) items listed in Annex I to Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 establishing a Union system for the control of exports, brokering, technical assistance, transit and transfer of dual-use items (L 206) (common list of dual-use items subject to export controls);
 - (ii) equipment covered by Council Common Position 2008/944/CFSP of 8 December 2008 laying down common rules governing the control of exports of military technology and equipment (Common Military List of the European Union) (L 335); (ab) cybersecurity; ac) artificial intelligence,
- b) port infrastructure,
- c) critical underwater infrastructure,
- d) tourist infrastructure in border areas.

Foreign direct investment is controlled, in case of an increase in the participation in the target enterprise to twenty percent (20%), twenty-five percent (25%), thirty percent (30%), forty percent (40%), fifty percent (50%), sixty percent (60%), seventy percent (70%) and seventy-five percent (75%).

We order the publication of this document in the Government Gazette and its execution as a law of the State.

Athens, 23 May 2025