

# BUSINESS Partners

MARCH-APRIL 2019

THE MAGAZINE OF THE AMERICAN-HELLENIC CHAMBER OF COMMERCE  
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**PARTNER AND HEAD OF TAX AND LEGAL, KPMG**

THOUGHT LEADERS  
**TAX EXPERTS FORUM—  
EXAMINING  
THE WORLD AHEAD**

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TURNING TO TECHNOLOGY TO ENHANCE  
BOARDROOM GOVERNANCE BY MARTYN CHAPMAN  
THE HELLENIC AMERICAN UNIVERSITY  
FOSTERS TOMORROW'S AGILE SELF-LEARNERS  
WITH LEONIDAS PHOEBUS KOSKOS**

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**BUSINESS**  
**Partners**

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**DIRECTOR**  
Elias Spirtounias  
e.spiritounias@amcham.gr

**PUBLISHER**  
Alexandra Loli  
a.loli@amcham.gr

**EDITOR**  
T.C. Lowrie

**DESIGN**  
White Creative Studio

**PRINTING & BINDING**  
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**OWNER**  
American-Hellenic Chamber of Commerce  
Politia Business Center  
109-111 Messoghion Avenue  
115 26 Athens  
Tel: +30 210 699 3559  
Fax: +30 210 698 5686-7  
E-mail: info@amcham.gr

**BRANCH OFFICE**  
123 Tsimiski Street  
546 21 Thessaloniki  
Tel: +30 2310 286 453  
Fax: +30 2310 225 162  
E-mail: n.savdaroglou@amcham.gr

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We are living in disruptive and interesting times, not only for Greece but for the whole world. While in Brussels last week for AmCham EU's Transatlantic Conference 2019 and the annual briefing sessions organized alongside it, I once again had the opportunity to meet with policymakers, major business representatives, economic analysts, and most of my counterparts in American Chambers in Europe. The topics addressed in both the conference and the briefing sessions were those on the top agenda in the EU and worldwide, including Brexit, trade with China, EU elections, energy and data security, digital tax, digital disruption and reskilling, health and environment taxes.

In brief, the trade and investment balance between the US and the EU still accounts for approximately 30% and 60% of global figures respectively despite the latest rhetoric and disputes. There are certainly grounds for discussion on a new EU-US trade and investments agreement, and it is to the benefit of both the United States and Europe, which share common values and common understanding, to reach a deal that will set the basis for trade rules on a global level and could effectively contain ongoing trade violations and associated bad practices from certain countries.

Both Brexit and the EU elections were much discussed, as they are expected to impact the course of the EU in the near future on all levels. Regarding Brexit, things are so unclear that nobody knows if, when and how the United Kingdom will leave the EU. The European Parliament elections in May will definitely put some pressure on the UK's final decision, as it would be contradictory to run candidates in the European elections while simultaneously discussing how to leave the EU. As for the European elections, there was apparent nervousness in Brussels regarding voter turnout and the outcome of the polls. For the first time, projections show that the new Parliament will be quite fragmented. As EU officials realize how much is at stake, from the single market to European integration and security, they are beginning to discuss changes towards more open and less bureaucratic governance, more effective communication with citizens, and perhaps a more direct election model capable of bypassing political differences at the local level that dominate the voting process in member countries.

Back in Greece, and in the midst of a pre-election period not only for the EU but also for municipalities and peripheries within the country, our Chamber continues to push forward with its active presence and dynamic advocacy through a series of key events and open discussions on taxation, education, defense and security, health policy, regional competitiveness, and youth entrepreneurship. And of course, we tirelessly work to represent the business community in the strategic dialogue between the United States and Greece, true to our mission to support and enhance economic and trade relations between the two countries.

**ELIAS SPIRTOUNIAS**  
*Executive Director*

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## THE AMERICAN-HELLENIC CHAMBER OF COMMERCE

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### A DYNAMIC, PROACTIVE CHAMBER

The American-Hellenic Chamber of Commerce was established in 1932 and is one of the largest, most active, and dynamic American Chambers in Europe. Virtually all American companies that do business in Greece and Greek companies that engage in trade with the United States are members of the Chamber.

The Chamber's membership is comprised of more than 1,000 proactive companies that seek to expand business horizons, create new business partnerships, and take advantage of trade and investment opportunities in today's global economy.

The American-Hellenic Chamber of Commerce is an active mem-

ber of the U.S. Chamber of Commerce in Washington D.C. and the European Council of American Chambers of Commerce (ECACC).

### MISSION STATEMENT

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\* Satia MC. A randomized two way cross over study for comparison of absorption of vitamin D3 buccal spray and soft gelatin capsule formulation in healthy subjects and in patients with intestinal malabsorption. Nutr J 2015;14:114





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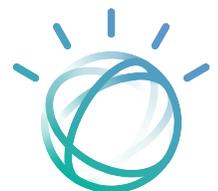
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# Proposals for a Social Policy Focused on Competitiveness

The Employment Committee and the Labor and Insurance Committee of the American-Hellenic Chamber of Commerce successfully co-organized the “Proposals for a Social Policy Focused on Competitiveness” Conference, which took place on January 24 at the Athens Hilton. Attracting key players from across the business world and relevant private and public institutions, the conference examined all the major factors that affect the country’s competitiveness and looked at different possibilities for improving it. Despite efforts to position Greece as a country that is competitive and attractive to investment, there has not yet been any substantial improvement of its place on the, particularly demanding, world stage. On the contrary, the competitiveness of the Greek economy continues to remain at levels that jeopardize prospects of meaningful and sustainable growth and attracting investments.

The conference featured a presentation of the findings of the study titled “Digitization and Talent Leading the Disruption Tide: Are you Ready?”, setting forth the challenges and opportunities that lie ahead for senior executives and businesses in the emerging digitized environment. Numerous workgroups discussed and analyzed various issues related to business in general and the Greek business environment in particular, aiming to produce concrete proposals and workable solutions. The conference also featured presentations on the conditions that must be met in order to improve competitiveness through improved labor relations and relationships with state agencies.

The event was sponsored by the Public Power Corporation (PPC) and supported by Dow, Pfizer, and Stanton Chase. It was further supported by Eventora, Asfalistiko Marketing, Business Partners, FnB Daily, and Insurance Daily News.

ELIAS SPIRTOUNIAS



VENETIA KOUSSIA



MANOS PANORIOS



JIORGIS KRITSOTAKIS



PANAGIOTIS LYBERIOU, DIMITRIS KARAVASSILIS, MARKOS DEBAS, GIORGOS SARANTAVGAS, DIMITRIS CHRISTOU

## TRADEUSA WORKSHOP IN KAVALA

AmCham’s TradeUSA Department, in collaboration with the Kavala Chamber of Commerce, organized a “Prepare–Plan–Execute” TradeUSA Workshop in the city of Kavala in northern Greece on February 27. The workshop was attended by businesspeople and entrepreneurs active in the fields of food and beverage, marble, and cosmetics, who gained valuable insights into the U.S. market and ways to effectively enter it, thanks to a number of presentations by field experts.

The presentations covered topics including the U.S. market by sector, with corresponding marketing strategies and packaging and product guidelines; U.S. online sales trends; credit insurance as a key aspect of safe exports and growth; GS1 standards for entry to the U.S. market; and global trends and standards in consumer packaged goods.

TradeUSA and its partners aim at continuously educating Greek companies through knowledge sharing at the national level, offering in-depth analyses and insights into critical trade issues and trends relating to exporting to and doing business in the United States.

To this end, AmCham’s TradeUSA Department works with local authorities throughout Greece to organize “Prepare–Plan–Execute” TradeUSA Workshops in key cities across the country.

The event was sponsored by Atradius, GS1 Association Greece, DK Marketing, and Idea Monkeys; it was supported by FnB Daily.

# Corporate Governance Conference 2019

AmCham's 7th Corporate Governance Conference, titled "Conflict of Interest Policies: An Indicator of Successful Corporate Governance," was held on February 21, 2019, at the Grand Hyatt Athens. A resounding success, the event was attended by hundreds of delegates from across business sectors as well as senior administration officials, academics and media representatives.

The many distinguished speakers and panel participants examined key topics including developments in corporate governance in Greece, the EU and around the world; conflicts of interest between corporations and their external environments; conflicts of interest between capital providers; and executive management and BoD review mechanisms as a tool for detecting and managing conflicts of interest.

In his keynote speech, American-Hellenic Chamber of Commerce President Simos Anastasopoulos pointed out the private sector's key role in shaping the new business environment and creating the conditions for the economy to flourish, and he underlined the Chamber's commitment to contributing to the development of a healthy, competitive and sustainable model for growth and prosperity. "Your presence here today—a considerable attendance that exceeds that of previous conferences—is a testament to your readiness for a change of attitude and business model, which is our only hope for sustainable growth, wealth creation and distribution for the benefit of all stakeholders, businesses, shareholders, employees and society itself," Anastasopoulos said, addressing the delegates. "I invite you to join us in overcoming outdated attitudes and preconceptions, to take stock of the disruptive changes brought about by the digital revolution, and to participate actively and meaningfully in the effort to create the conditions that will improve life for us all."

The 7th Corporate Governance Conference was organized in partnership with The Institute of Internal Auditors Greece. It was sponsored by Enterprise Greece, CPA Law, HELPE, PwC, and Eurobank. It was further supported by Kathimerini and Epixeiro.gr

CONSTANTINE PAPACOSTOPOULOS, ELIAS SPIRTOUNIAS, PANAGIOTIS DRAKOS, PANAGIS VOURLLOUMIS, SIMOS ANASTASOPOULOS, ATHANASSIOS GABRIELIDES, MARIOS KYRIACOU, VENETIA KOUSSIA



## 1<sup>ST</sup> TRILATERAL REGIONAL MEETING AmChams Cyprus, Greece and Israel

The first trilateral regional meeting between the American Chamber of Commerce in Cyprus, the American-Hellenic Chamber of Commerce and the Israel-American Chamber of Commerce was held on February 5 in Nicosia, Cyprus. The meeting was also attended by the Chairman of AmChams in Europe and officials from the U.S. Embassy in Cyprus.

The meeting followed the trilateral meetings between the governments of Cyprus, Greece and Israel, and focused on exploring potential opportunities for collaboration on key sectors including energy, finance and innovation.

After the meeting, the three AmChams signed a memorandum of understanding for joint activities and initiatives to promote business, trade and economic relations between their members as well as more broadly between Cyprus, Greece and Israel.

## SAVE THE DATE Healthworld

AmCham's 18<sup>th</sup> HealthWorld Conference, titled "From Noise to Signal," will take place on June 20-21, 2019, at the Athenaeum InterContinental Hotel in Athens. Check our website for the latest info.

## Tourism Conference

The 4th Tourism Conference, titled “Northern Greece: Welcoming Future Trends,” took place on March 14, 2019, at the I. Vellidis Conference Center in Thessaloniki. With a focus on northern Greece, the conference examined key topics including technology and its impact on tourism development; the rise of sharing economies; financing for tourism projects; and sports tourism.

Co-organized by the American-Hellenic Chamber of Commerce, the British-Hellenic Chamber of Commerce, the French-Hellenic Chamber of Commerce and Industry, the German-Hellenic Chamber of Commerce and Industry, and the Italian-Hellenic Chamber of Thessaloniki, the event brought together several hundred prominent businesspeople, members of the five bilateral chambers, representatives of tourism and banking sectors, industry consultants, academics and students, local authority officials and senior officials of the relevant administrative authorities.

Avis, AXA Insurance, Ellinair, and Hewlett Packard Enterprise were Grand Sponsors. The event was further sponsored by SmartBnB, The MET Hotel, Thessaloniki Travel, and Vimar Group; it was further supported by Anatolia College, Glossima & Wehrheim, Halkidiki Tourism Organization, Isomat, New York College, Thessaloniki Port Authority, and TIF Helexpo. Dios, the Hellenic Brewery of Atalanti, BeSmart Car Rental, Communication Lab, and A. Tzortzi also contributed to the event.

NIKOLAS BAKATSELOS



VOULA PATOULIDOU



NIKOLAS BAKATSELOS, ELIAS SPIRTOUNIAS, NIKOS TSAVDAROGLOU, MARIA VOZIKI, STEFANOS TZIRITIS, MATTHIAS HOFFMANN



## BEHIND THE SCENES

The American-Hellenic Chamber of Commerce works tirelessly to promote business and entrepreneurship in Greece and strengthen economic and trade relations between Greece and the United States. Alongside its busy agenda of conferences, workshops, trade missions and other happenings, the Chamber also operates a series of internal events to support its mission. Most recently, these have included a Northern Greece Committee luncheon at the MET Hotel in Thessaloniki, a Northern Greece Committee luncheon at Makedonia Palace hotel in Thessaloniki, a Public Affairs luncheon at the Grande Bretagne in Athens, and a Public Affairs luncheon in Athens.

## CHAMBER CALENDAR

**April 16** Athens, Athenaеum  
InterContinental, 15<sup>th</sup> Athens Tax Forum

**April 17** Athens, Vodafone Premises,  
3<sup>rd</sup> Sustainable Talks

**May** Athens, Workshop on how to establish  
an enterprise business in US

**May** Thessaloniki, Workshop on how to  
establish an enterprise business in US

**May 7** Athens, LAED, 7<sup>th</sup> EXPOSEC  
DefenseWorld Conference

**May 16** Athens, Athex Group Premises,  
Youth Talks Event

**May 17** Lamia, Stevia Cooperative,  
4<sup>th</sup> Sustainable Talks

**May 30** Domotel Kastri, Leadership Event

**June 3** Athens, Hilton Athens,  
WIB Dialogue Series

**June 3** Corfu, TradeUSA Workshop

**June 11** Athens, Artificial Intelligence Event

**June 12-13** New York-Washington,  
Investment RoadShow



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**Thessaloniki Office**

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T+302310 441 552

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# AMCHAM WELCOMES 2019

In what has become a much anticipated annual tradition, the American-Hellenic Chamber of Commerce invited its members, friends and supporters to celebrate the arrival of the new year at its twin New Year's Receptions in Athens and Thessaloniki.

## ATHENS

The American-Hellenic Chamber of Commerce held its annual Athens New Year's Reception on January 31, 2019, at the Athenaeum InterContinental Hotel in the capital. Attended by over a thousand guests, the event brought together Chamber members, top government officials, members of Parliament, ambassadors, organization presidents, media representatives, and prominent executives of the business community to enjoy a delightful and rewarding networking event. Welcome remarks were delivered by AmCham President Simos Anastasopoulos as well as U.S. Ambassador to Greece Geoffrey R. Pyatt and Minister of Digital Policy, Telecommunications and

Media Nikos Pappas. Following the traditional cutting of the pitta, a special prize—two round-trip tickets to the United States, provided by Delta Air Lines—was awarded to the flouri winner.

The Athens New Year's Reception was sponsored by AbbVie, Amgen, AstraZeneca, Athenian Brewery, Cisco, GE Healthcare, Green Properties, Hewlett Packard Enterprise, Janssen, Johnson & Johnson, Lockheed Martin, Merck, MetLife, Papastratos, Pfizer, PwC, Sanofi, and Stanley Black & Decker. The event was further supported by Coca Cola 3E and Chivas. With thanks to ProEvents for the unique and exceptional reception layout.

ALEXANDROS COSTOPOULOS, JOHN D. SARACAKIS, PAUL CANELOPOULOS, VENETIA KOUSSIA, MARIOS T. KYRIACOY, THANOS PAPADOPOULOS, AMBASSADOR GEOFFREY R. PYATT, LITSA PANAYOTOPOULOS, SIMOS ANASTASOPOULOS, NIKOLAOS BAKATSELOS, STAVROS KOSTAS, ELIAS SPIRTOUNIAS



AMBASSADOR GEOFFREY R. PYATT, SIMOS ANASTASOPOULOS, MINISTER NIKOS PAPPAS, LITSA PANAYOTOPOULOS, MARIOS T. KYRIACOY





CAPTION

## THESSALONIKI

The American-Hellenic Chamber of Commerce held its annual Thessaloniki New Year's Reception on February 4, 2019, at the MET Hotel in Thessaloniki. With over 400 guests in attendance, the event brought together Chamber members, prominent executives of the local business community, members of Parliament, diplomats, central and local government officials, senior public administrators, organization presidents, security forces officers, academics, and me-

dia representatives. Welcome remarks were delivered by AmCham President Simos Anastasopoulos, AmCham Vice-President Nikolas Bakatselos, and U.S. Ambassador to Greece Geoffrey R. Pyatt. The Thessaloniki New Year's Reception was sponsored by Agrino, Harley-Davidson Motorcycles Thessaloniki, Kouimtzis Group, Mazars, Miltos Patisserie, The MET Hotel, Tuvunu, and Macedonia-Thrace Brewery. The event was further supported by Eventora.

IOANNIS KANELAKIS, ALEXANDROS GIGILINIS, ATHANASIOS KOUIMTZIS (BACK), GREGORY PFLEGER, NIKOLAS BAKATSELOS, SIMOS ANASTASOPOULOS, GEOFFREY PYATT, IOANNIS PANAGIOTIDIS (BACK), PANOS VLACHOS, NIKOLAOS KARAGIORGOS, GEORGIOS KATSAROS (BACK), THYMIS EFTHYMIADIS (BACK), NIKOLAOS MARGAROPOULOS, NIKOS TSAVDAROGLOU (BACK), EVANGELOS VERGOS, OLGA MITSIOUIDOU

NIKOLAS BAKATSELOS, SIMOS ANASTASOPOULOS, GEOFFREY PYATT, GREGORY PFLEGER



# Learning Agility: A Path to Strategic Agility

In a Volatile, Uncertain, Complex and Ambiguous world (V.U.C.A.) technology disrupts and globalization magnifies and propagates the dramatic changes in our work, communication, and transactions, and the way companies operate and create value.

In such a disruptive business environment, company leaders face a major challenge to focus on their company's long term strategy and, at the same time, to be flexible, receptive to new data, ready to review different options, learn of new patterns and concepts, change direction in light of new developments, re-design their strategy and reallocate productive resources to new priorities and choices, and overall be adaptable to the new developments of the business environment—all in all, to be strategically agile.

Strategic agility depends on three key organizational capabilities:

1. The company's leadership team maintains an extrovert focus with an open internal dialogue among its members where all issues are challenged and redefined (strategic sensitivity).

2. The company leaders take courageous decisions without prejudices and limitations arising from the company's past and present successes. The unity of the leadership team enables them to make decisions with speed from the moment that new trends in the economy have been analyzed and established. Decisions apply directly with the unreserved support of the leadership team without any

delays arising from personal insecurities or priorities (leadership unity).

3. However, the immediate mobilization of resources along with the alignment of these resources with the company's new strategic direction is more than imperative. On one hand, human and monetary resources are reallocated and realigned while the necessary procedures (e.g. evaluation and incentives systems) are redesigned in supporting the restructuring of the company's business model and its new strategy. On the other hand, the leadership team is committed to implement the new business model and also accept the short term losses, in terms of revenue, costs and profitability, which may result from the above structural changes (organization agility).

Knowledge always powers the company's strategic agility, but in a V.U.C.A. world,

knowledge might become quickly and unpredictably irrelevant. To facilitate the company's strategic agility, learning within the organization should be dynamic with executives/learners continuously acquiring new knowledge, skills and competencies while at the same time also developing a mindset and attitude for perpetual learning. Within such an organization, executives/learners de-

**IN A V.U.C.A.  
WORLD,  
KNOWLEDGE  
MIGHT BECOME  
QUICKLY AND  
UNPREDICTABLY  
IRRELEVANT**

velop the potential to learn and thus have an open and receptive mindset. They also have a motivation to learn, a willingness to participate in the learning process. Finally, they are also adaptable to learn through reflection on the relevance of the acquired skills and competencies and the need to adjust them and even develop new ones. Within their companies, leaders/learners create and nurture a culture of exploration, exchange and application of cutting-edge and relevant knowledge through which they empower their teams to advance and respond effectively to the challenges of the disruptive world, leveraging also the company's core values and traditions.

In a V.U.C.A. world, knowledge is always power, but perpetual learning—learning agility—is the condition for developing relevant and impactful knowledge to support and facilitate the company's strategic agility. But of course, learning agility and strategic agility require a lot of courage to disrupt and transform ourselves and our organizations! And this is indeed very much challenging. 🐼



— BY —

**KOSTAS AXARLOGLOU**

Dean,  
Alba Graduate Business  
School, The American  
College of Greece

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# Turning to Technology to Enhance Boardroom Governance

Global businesses and markets are caught in a seemingly perpetual cycle of disruption and adjustment, and company leadership and board directors are met with finding new and innovative ways of communicating and working with shareholders.

As disruption in the workplace has company leaders and directors working to find new ways of communicating with shareholders, governance professionals have increasingly moved away from printed documents in favor of a digital-first boardroom. The adoption of governance-specific technology can help directors become more productive by sharing knowledge and information, streamline board book creation and, importantly, strengthen information security.

In an environment where directors are charged with elevating a company's performance and steering their organizations through an ever evolving governance landscape, it is essential that the board meeting process be simple and easy to navigate. This requires the right tools to be implemented at the board level.

For those considering a shift in their corporate governance practices, we have observed several digital governance trends

since this type of technology was introduced into the boardroom:

## EFFICIENCY AND COLLABORATION

A focus on board governance can assist the efficiency of a board by streamlining administrative functions and improving information accuracy and transparency.

After all, good governance requires that board members have the most up-to-date information and feel empowered to communicate freely, using their unique perspectives and experiences to drive the company forward.

Directors and corporate secretaries can regain valuable time by deploying board portal technologies that assist with scheduling meetings, creating agendas and board-books, and uploading documents seamlessly.

In addition, the use of governance technology can encourage greater collaboration between board members and senior leadership. This can be critical to building trust within the boardroom and create stronger relationships between directors and the executive team.



— BY —

**MARTYN CHAPMAN**

Head of Strategy,  
Nasdaq Governance  
Solutions

## ALIGNMENT

Regulations impacting the broader European corporate landscape, including the likes of MiFID II, have led to an increase in annual board evaluations. Assessing your board's performance can result in significant improvements and help to increase the alignment between the board and your company's leadership.

Using governance technology can assist with board accountability. This allows your executive team to conduct recurring evaluations of your directors, particularly to determine if your board members have the specific expertise to support the company on its growth plans.

## SECURITY

The information within board documents and director communications is highly confidential. Using traditional channels, such as email and chat-based messaging, may present several risks. In addition, paper documents can get misplaced, which could lead to sensitive or proprietary information getting into the wrong hands. Boards should go through a thorough assessment process for all technology they implement and use to share this sensitive information.

To summarize, with disruption impacting every industry, organizations need to become more strategic, nimbler and adaptable to the fast pace of change. Board directors can take the lead within their respective organizations and begin to adopt the use of governance technology like a board portal or collaboration platform to facilitate this boardroom transformation. 🐾



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# ...in the news

## STYLIANOS KOSKINIDIS, PRESIDENT AND CEO OF KOSKINIDIS PACKAGING, DIES AT 74



Koskinidis Packaging, one of Greece's foremost packaging design and production firms, has announced the death of its President and CEO Stylianos Koskinidis on January 27, 2019, at the age of 74. Taking over the company that his father had founded in 1922, Stylianos Koskinidis led the business into the 21st century, establishing it as one of the most innovative and customer-focused companies in its field, while maintaining a characteristic focus on family, community and social responsibility. "From the day my father started his small industry back in 1922, till the involvement of the third Koskinidis generation today, our progress has been steadfast and impressive, decade after decade. Our forward-thinking attitude is a matter of consistency and DNA. When you are credited with establishing the packaging and lithography industry in Greece, your responsibility is huge," Koskinidis noted in an interview. "Of course, we always make it a priority to also honor our responsibility to our people, the community we operate in and of course the environment." Stylianos Koskinidis is survived by his wife, Penelope, and his daughters, Martha and Tania.

## ACS ATHENS ALUMNI ACHIEVEMENT AWARD



ACS Athens (American Community Schools) has honored alumna Stephanie E. Joannides, Senior Superior Court Judge in Anchorage, Alaska, with the 2019 Lifetime Achievement Award. The award, which recognizes Joannides's outstanding professional achievement and service to humanity, was presented during a special ceremony at the ACS Athens Alumni Achievement Award Event which took place on April 6 at the Capitol Hilton in Washington DC. Professor Nicholas Burns, former U.S. Ambassador to Greece, was the guest speaker. Joannides, class of '71, holds a BSc in Psychology from the University of Santa Clara, California, and a Juris Doctor from Gonzaga University School of Law in Spokane, Washington. She has previously served as a judge on Alaska's State District Court and the State Superior Court and as a pro tem judge on the Alaska Court of Criminal Appeals from 1994 to 2011.

## RWU NAMES NEW PRESIDENT



DR. IOANNIS (YANNIS) MIAOULIS

The Roger Williams University (RWU) Board of Trustees has named Dr. Ioannis (Yannis) Miaoulis as the university's 11th President. Athens-born Miaoulis has previously served as President and Director of the Boston Museum of Science and as Dean of the School of Engineering, Associate Provost, Interim Dean of the University's Graduate School of Arts and Sciences, and Professor of Mechanical Engineering at Tufts University. He holds a BSc in Mechanical Engineering, an MA in Economics and a PhD in Mechanical Engineering from Tufts, as well as an SMME from MIT.

## BANK OF CYPRUS DESIGNATES NEW MEMBER TO BOD

Bank of Cyprus has appointed Efstratios Georgios (Takis) Arapoglou to its Board of Directors, to be considered as a candidate to succeed Dr. Josef Ackermann as Chairman after the latter's departure. The move is subject to the approval of the European Central Bank. Arapoglou, who is currently Chairman of the Board of Titan Cement and Tsakos Energy Navigation, has previously served as Chairman and CEO of the National Bank of Greece, Chairman of the Hellenic Banks Association, and Member of the Board of Eurobank.

## CALIFORNIA APPOINTS GREEK-AMERICAN TO TOP POSITION



ELENI KOUNALAKIS

Lieutenant Governor of California Eleni Kounalakis, the first ever woman elected to the post, has been appointed to head the newly created International Affairs and Trade Development Interagency Committee of the State of California. Kounalakis, who has previously served as a United States Ambassador will work to amplify the voice of California and advance the state's interests and values internationally.

# SPEAKERS' CORNER

## FOCUS

Success usually comes to those who are too busy to be looking for it.

—HENRY DAVID THOREAU

## DISCIPLINE

I never dreamed about success. I worked for it.

—ESTEE LAUDER

# Q&A

**MARIA CHRISTINA BAKLAVA**  
THE REPRESENTATIVE OF CHAMBER MUSIC HELLAS  
IN GREECE



## Music and Culture

### Tell us about Chamber Music Hellas.

Chamber Music Hellas (CMH) is a non-profit incorporated under the laws of the State of New York. Founded in 2018 by Vasos Papagapitos and a group of individuals passionate about Greece, Hellenism and Hellenic ideals, CMH aims to organize classical chamber music festivals in rural regions throughout Greece, for the benefit of local society.

### How does CMH benefit local communities and promote classical music in Greece?

Exposure to classical music isn't just entertainment; it's a cultural experience that opens up new worlds and possibilities, encouraging youth to pursue studies and careers in classical music—indeed, the festivals feature masterclasses for aspiring young Greek musicians, given by accomplished American artists. The festivals also contribute to the economy of the places where they are held by attracting high-end cultural tourism. On a broader scale, CMH showcases Greek composers, affording them crucial exposure both in Greece and internationally.

### Moving forward, how will CMH continue to support cultural and tourism relations between the U.S. and Greece?

The music presented at the festivals is of the highest quality, comparable to the musical excellence one would hear in renowned venues in Europe and the U.S. The concerts feature canonic masterpieces of the classical repertoire, pieces by Greek composers, as well as neglected and unusual masterworks, all performed by accomplished and internationally recognized artists. CMH plans to expand the festival to other regions of Greece and aims to provide scholarships for talented young musicians to study at American conservatories.

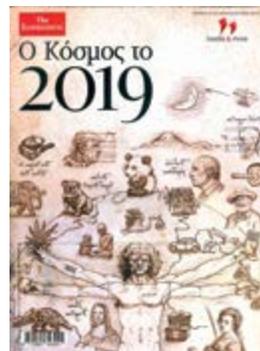
## LLF WELCOMES NEW PARTNERS AND COUNSEL

Athens-based Lambadarios Law Firm (LLF) welcomed 2019 with three new additions to the team: new partners Melina Katsimi and Katerina Malanou and new counsel Smaro Anagnostou.

Specializing in company formation and major corporate restructurings, Melina Katsimi has joined the firm's Tier 1 Corporate MA practice. She has previously worked in a range of key industries, including NPLs, alcoholic beverages, consumer goods, electronics, restaurants, oil and gas, real estate, banking, financial services, renewables, and telecoms. Katerina Malanou has joined the firm's TMT practice. Focusing on privacy and GDPR compliance, contracts and corporate law, technology and consumer goods, consumer protection, trademarks and internet law, she provides advice on regulatory issues, including advertising, promotional and marketing activities, software, copyright and trademarks.

Internationally acclaimed tax expert Smaro Anagnostou has joined LLF's Tax team as the firm's newest counsel. Drawing on her considerable experience advising corporate clients, including financial institutions and investment funds, her focus is on advisory work supporting clients on tax law, banking, mergers and acquisitions, employment, and real estate.

## EDUCATION, INNOVATION AND INSPIRATION



"The educator who promotes innovation is not afraid of failure," writes ACS Athens President Dr. Stefanos Gialamas in this year's Greek edition of *The World in 2019*, a special annual publication from *The Economist*. Emphasizing the importance of holistic learning, Gialamas underlines the need to design and deliver engaging and relevant learning experiences that motivate students and give them the freedom to engage with learning creatively on a lifelong basis.

He stresses that education should be about acquiring relevant skills, developing critical thinking, ensuring relevance and applicability in the community and workplace, and nurturing inspiration and the desire to continue learning. Not shying away from the critical role of educational institutions in developing this new model of education, Gialamas says that schools should aim to serve as catalysts for the transformation not only of students but of communities, countries and the world itself, working to transform the very process of education and inspiring individuals to take charge of their own learning.

## PROGRESS

Your most unhappy customers are your greatest source of learning.

—BILL GATES

## LEADERSHIP

Fight for the things that you care about. But do it in a way that will lead others to join you.

—RUTH BADER GINSBURG

## LEGACY

Success is fine, but success is fleeting. Significance is lasting.

—BETH BROOKE



# In the Market for a Home? Live It First!

TOP TIPS FOR PROSPECTIVE HOME BUYERS

In this first of a two-part special, Charikleia Stouka, founder of Alma Real Estate, shares her top tips for local buyers in today's real estate market.

**T**he real estate market has dramatically changed over the years, but despite the various changes, there are always opportunities and there are always properties whose value remains steady or even increases regardless of circumstances. So if you're looking to buy, here are some essential tips.

## **IN THE MARKET FOR A HOME? LIVE IT FIRST!**

Visit the property and walk through it at different times of day: early in the morning, at noon, in the afternoon, in the evening. If you find yourself very annoyed by bright sunlight, for example, you will never truly enjoy an apartment's beautiful large veranda. On the contrary, if you enjoy

that brightness and sunshine is essential for you, you will never feel quite satisfied with a north-facing living room.

While visiting the property, make sure to also have a look at any common areas—such as the lobby, parking area or garden—and try to get a feel of the general atmosphere. Notice the people who enter or leave the building. Are these the kind of people you would like to meet every day? Of course, don't forget to ask for a copy of any regulations that apply to owners and/or tenants in the building.

Make sure to also spend some time in the neighborhood. Check out the local amenities. See the people who come to the local supermarket, and take the time to shop from

the local shops yourself. Are the shop owners pleasant and kind, and would you want to be their client? Are your needs covered locally or will you need to go farther and maybe have to use a car to access the amenities you'll need on a regular basis? Having things like 24-hour mini markets, pharmacies, bakeries, and newsagents/kiosks close to home can be a great benefit.

Observe the area after dark. Drive by the property and around the neighborhood late in the evening and in the small hours of the night, and make sure that you get the same good feeling from it at night as you do in the light of day. Sometimes a neighborhood can appear perfectly decent during the day but turn into a spot of unsavory activity after nightfall.

Find out what the municipality's policies are on keeping the area clean and well maintained, and of course, make sure these basic services are not neglected. Be on the look-



— BY —

**CHARIKLEIA STOUKA**

Charikleia Stouka is an accredited realtor and founder of Alma Real Estate, which she established in 2001.

Alma Real Estate is a full-service real estate agency that is mainly active in the residential and retail/office markets, and also works with business premises, specialized and industrial buildings, luxury villas and summer houses, and land sales, including whole islands.

out for things like garbage collection and street lighting, and try to find out if these operate with consistency. If a streetlight malfunctions, for example, how long does it take for the municipality to change it? What time does garbage collection take place? How often the streets are cleaned? Do local storm drains work properly or is the area prone to flooding after heavy rains? Far from minor details, these things can be key to determining how invested the municipality is in taking care of the area.

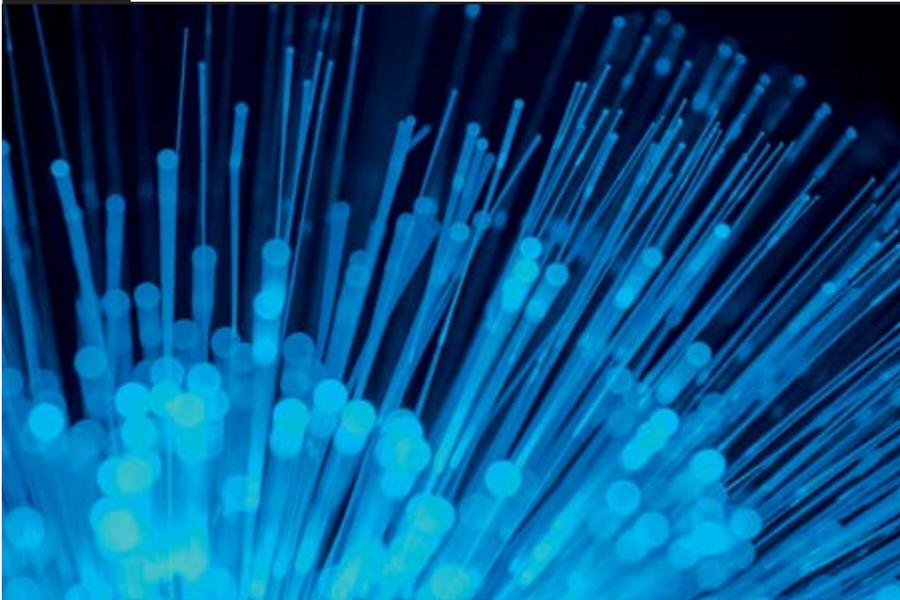
Don't forget to ask for a certificate from a civil engineer to verify the legality of the building permit and construction. Look for the General Building Construction Code (GOK) of the time the building was constructed. Check especially whether there were revisions to the original plans—for example, if

the building plan was initially for eight flats and then changed to twelve flats after construction started or vice versa—and whether construction was interrupted and/or completed by a different construction company than the one that first began working on the building.

Finally, remember that no matter how thorough you are, chances are that you won't have as broad a knowledge of real estate matters or as keen an eye for relevant details as an experienced professional. So to ensure you avoid unpleasant surprises, find a trustworthy realtor and ask the crucial question: Is there anything I should know, about the property, that I can't see or that I'm maybe not familiar with? 🏠

**ALMA Real Estate**  
 117 Agias Paraskevis Street,  
 Chalandri, Athens  
 T: +30 210 6829 901  
 T: +30 6977 414 581  
 E: charikleia@almarealestate.gr





## GRNET Launches GR-IX::Thessaloniki

GRNET, the Greek Research and Technology Network, has announced the launch of the new, independent Greek internet exchange, or GR-IX, in Thessaloniki. Known as GR-IX::Thessaloniki, and hosted in a Synapsecom facility, the new internet exchange point will greatly improve connectivity, speed and quality for internet users across northern Greece, while simultaneously contributing to reducing overall costs.

Commenting on the new exchange, GRNET CEO Professor Panayotis Tsanakas said: “The establishment of a new independent isle of GR-IX in Thessaloniki is of strategic importance, as it is expected to stimulate the local telco and internet business in the region of northern Greece as well as attract new providers from abroad who are willing to broaden their business in Greece”.

Established in 2009 as a successor to the Athens internet Exchange (AIX) and owned by GRNET, GR-IX is a neutral and independent internet exchange, with a mission to facilitate the exchange of internet traffic and to accelerate the growth of the Greek internet. It is an integral part of the country’s critical internet infrastructure as it interconnects all major internet companies in Greece, including ISPs, content providers and cloud operators.

## U.S. Names Newest National Park



The State of Indiana is now home to the newest National Park in the United States. The Indiana Dunes National Lakeshore was redesignated as the Indiana Dunes National Park, making the 15,000-acre area the country’s 61st national park. The redesignation follows a 103-year-long campaign that actually began with Stephen Mather, the first director of the National Park Service, in 1916.

Indiana Dunes National Park is located in northwestern Indiana along the shore of Lake Michigan and boasts varied landscapes and exceptional biodiversity, including more than 1,100 native plant species.

# DID YOU KNOW

## Greek Easter Foods and Traditions

■ ■ ■

Most Greeks attend the Paschal vigil at their local church, bringing with them special candles—*lampathes*—which are then lit from the eternal flame; they then carefully take these home, using the smoke from the flame to make a cross of blessing above the front door

■ ■ ■

The first thing consumed after returning home from the service is *magiritsa*, a traditional Easter soup made from lamb offal; it’s eaten to break the fast of the forty-day Great Lent that precedes Easter, during which Orthodox Christians will abstain from meat, fish, poultry, dairy and eggs

■ ■ ■

On Easter Sunday, it is customary for extended families to gather early in the morning to start the process of *souvlimsa*: the outdoor roasting of a lamb on a spit

■ ■ ■

The three braids of the *tsoureki*, the country’s beloved sweet Easter bread, represent the Holy Trinity

■ ■ ■

Known in Greek as *tsougrisma*, egg-tapping has been a popular Easter tradition across Europe for centuries, documented as early as the 14th century



## NEW CYCLING ACADEMY FOR YOUNG GREEK ATHLETES

Toronto-based Fleet Complete has joined forces with SEG Racing Academy in the Netherlands to launch the Fleet Complete Cycling Academy in Greece. Based in Loutraki, the Academy will help inspire, train and develop young Greek cyclists. “At Fleet Complete, we believe in innovation and people in the field of mobility in all its forms. This is why we are so proud to launch the Fleet Complete Cycling Academy in Loutraki with the hope of developing the future of professional cycling in Greece,” said Fleet Complete CEO Tony Lourakis. “We want to provide a rare opportunity that will help unleash the potential of young Greek athletes, aspiring to be successful in the Classics or Grand Tours.”

The Fleet Complete Cycling Academy will start a two-year process of choosing the right candidates in cooperation with cycling clubs across Greece and form a four-person team that will train, develop and eventually compete in international races. Aspiring candidates can apply through the academy website.



## Alonissos Is Greece's Best Green Eco Destination

Alonissos, an island in Greece's Northern Sporades archipelago in the Aegean Sea, has been recognized as the country's Best Green Eco Destination at the 1st Greek Travel Awards which recently took place in Stockholm, Sweden.

Alonissos is well known as an ecological haven and is also the heart of the National Marine Park of Alonissos and Northern Sporades, Greece's first marine park and currently the largest marine protected area in Europe. It is an established habitat of the endangered Mediterranean monk seal *Monachus monachus*.

Described as the “first important initiative for the international promotion and rewarding of Greek tourist businesses and destination in the Scandinavian market,” the Awards are supported by Scandinavia's largest tour operators, with votes coming from across Sweden, Norway and Denmark.

## Greece's Demographic Trouble

Greece could be looking at a population drop to about 8.3 million by 2050, according to a parliamentary committee report released in early March. A combination of low birth rate and high immigration are the key driving force behind this trend that could see country's population contract from 10.9 million in 2015 to between 9.5 and 10.4 million in 2035 and ultimately to as low as 8.3 million in 2050. The report's projections estimated that by 2050, over-65s will account for up to 33.3% of the population, compared to 20.9 in 2015. According to these estimates, there will be a total of just 5.7 million working age (20-69 years) individuals in the country by 2050, down from 7.1 million in 2015.



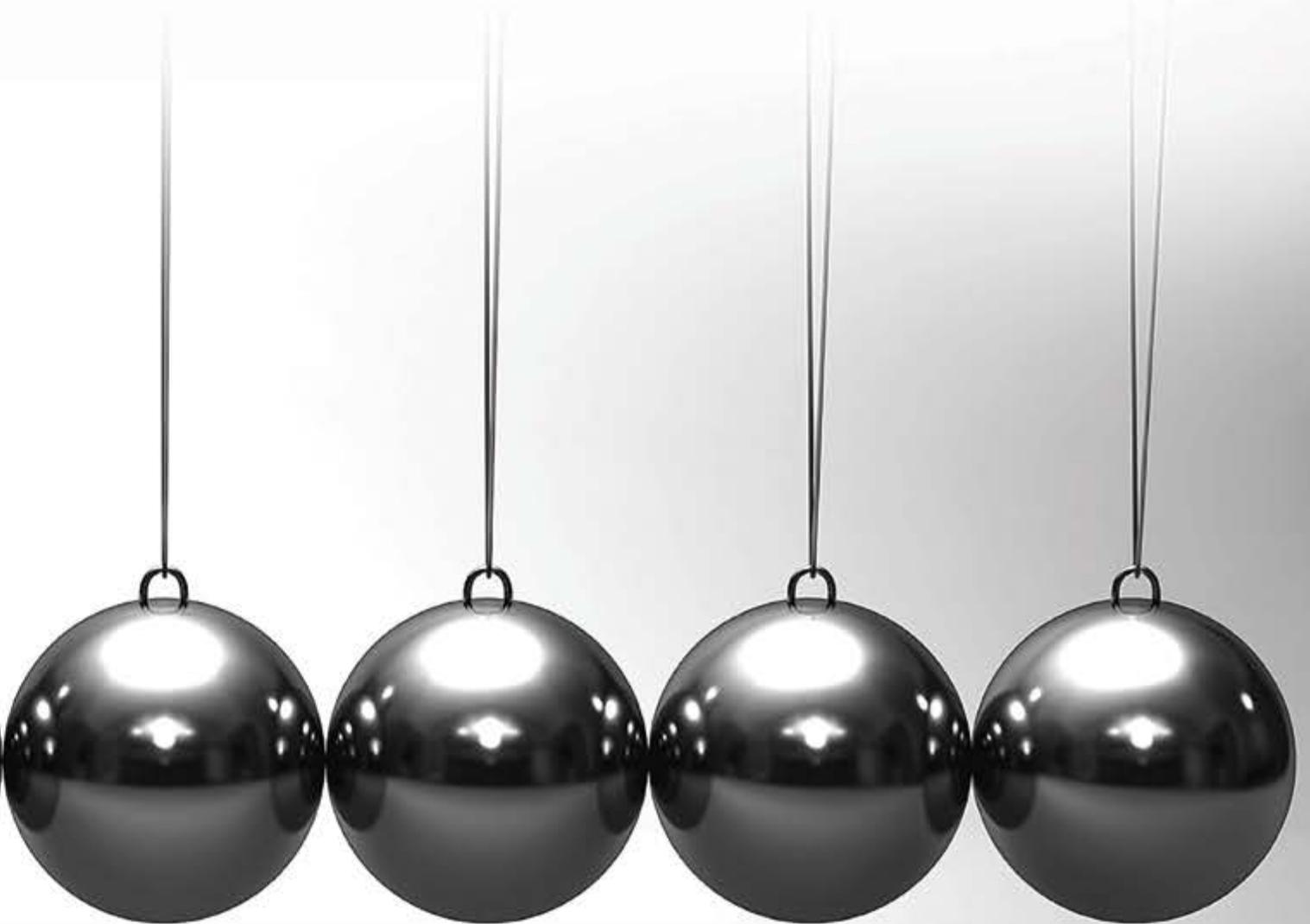


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# TAX IS CHANGING *WE ARE CHANGING TAX*

Georgia Stamatelou, Partner and Head of Tax and Legal at KPMG, talks to Business Partners about how technology and geopolitics are changing the world of tax as we know it.

**Tax today is attracting attention like never before, not only among governments and the business world but also among the media and citizens. Why now? And which do you believe are the key drivers for this focus on tax?**

First of all, let's clarify one thing. It is not now. The focus we see in tax today is the result of the accumulation of forces and factors that go back decades. In the past 20 years, with the help of, and in some cases, because of technology, the world and the market have changed dramatically. Globalization, new business and consumer demands, new ways of living, and the emergence of previously unseen types of businesses are some of the most significant changes. As the economy transforms, it is inevitable that tax will follow. Meanwhile, in the era of social media, reputational risk around tax has reached new heights as governments and the general public have taken more interest in large corporations and how much tax they pay.

**You mentioned technology. How is it disrupting tax?**

Technology is affecting all aspects of tax. Tax authorities are investing in technology to improve how they assess risk and boost collections. Tax functions are investing in technology to enhance automation, improve the accuracy and visibility of their tax data

and unlock their strategic value. Digitization is allowing governments to adjust policy to economic activity at the level of distinct transactions and to consider new forms of taxation of activity in the digital world. Technology is disrupting tax on each of these fronts, with all of them leading toward more extensive, real-time analysis of ever more tax data.

**But what does digitization mean for tax?**

The digitization of tax is an enormous topic that means different things to different people. For the tax authorities, it is the digitization of tax collection. We see governments investing heavily in technology, with the sole purpose of improving their ability to gather more tax information and gain more insight into the tax and financial positions of taxpayers. Companies are embracing tax technology, in part to comply with new electronic reporting requirements, but more importantly to leverage automation to make their tax functions operate more accurately and efficiently. And then there is the issue of taxation of the digital economy per se. From any angle, digitization has been changing all aspects of taxation for some time, from tax collections and compliance down to the tax base itself.

**With the EU's proposed digital tax plan, there has been a lot of discussion recently on digital economy. What are your views on the subject?**

It is the new world, and it is a world that forces governments to adjust policies and change basic concepts of tax in order to be able to monitor and regulate financial activities efficiently. The current international tax rules allocate taxing rights on business profits on the basis of physical presence. But in the digital world, it is possible for businesses to reach markets in jurisdictions in which they may have no or little physical presence. It is possible for a company that

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**DIGITIZATION HAS BEEN CHANGING ALL ASPECTS OF TAXATION FOR SOME TIME, FROM TAX COLLECTIONS AND COMPLIANCE DOWN TO THE TAX BASE ITSELF**”

is resident in China or the U.S. to generate significant revenues in Greece without paying a significant amount of corporation tax. And this is not an issue only for revenue collection, but a real issue for competition within a country's economy. I believe that this situation is what has driven the EU and local governments to try and find a solution with a new form of tax such as the proposed digital tax.

**Is it only technology that changes the world of tax?**

Definitely not. One could say that it affects most changes one way or another, but tax also follows the changes in business models, as they continually evolve. Companies react to changes large and small, and they reposition themselves to avoid emerging risks and to seize opportunities. Further to the above, the world's geopolitical environment is not stable; the volatility we see today is unprecedented, especially as geopolitics affect policies on taxation and trade. The uncertainty of the current political landscape is having a greater impact on businesses today, than anything they have seen in the past years.

**Why is the current geopolitical situation so high on the business agenda?**

One of the most disturbing aspects of the current geopolitical sit-



uation is that, in certain cases, rational economic logic is taking a back seat to other imperatives where tax and trade are concerned. This makes geopolitical analysis essential for today's business. Many companies are taking steps to manage their exposure by consulting specialists to help them better understand potential threats. They are also spending time on scenario planning—considering what's likely to happen, what alternatives are credible, what's unlikely, and what the worst case scenario is—so they can chart their best course forward. Where broader geopolitical trends were once on the periphery of business thinking, they have now become a priority. And of course, tax factors are an important part of geopolitical analysis. How a country establishes its tax settings—what and how many economic activities are taxed and whether and how the tax system delivers social benefits—are fundamental to the long-term fiscal stability of a nation. These settings need to be considered in the context of demographics, cultural predispositions, and the structure of the economy, including its international exposure.

**What about changes in business? How do these affect tax?**

This is a highly interactive relationship. As business changes, tax changes and vice versa. We have seen, in the past two decades, fundamental shifts in all aspects of international businesses: from how they invest, through how they make money, to how they distribute profits and deploy capital. These changes required companies to continually change their tax strategies, which is increasingly tough as the international tax system itself has come under strain.

## THE INTERVIEW

### **But how does tax fit to the new business model that you have mentioned?**

Tax will undoubtedly remain one of the most important factors for companies thinking about a business model change and in some cases, it will even force the changes. The global effort to curb tax base erosion and profit shifting has been the key driver for many international businesses to rethink/redesign their operations around the globe over the past few years. As companies change their business models—for example, to seize opportunities in the digital domain—policymakers will likely, in turn, alter their application of taxes to respond to different ways of creating value. With this dynamic, your best bet is to look forward and outward by monitoring developments and anticipating possibilities.

### **So can the tax functions of today meet the challenges of the future?**

No one can predict the future, but as the world of tax transforms, tax functions are changing. If the last few years have proven anything, it's that you have to be prepared for surprises. Advances in artificial intelligence and robotics may move businesses in directions that are difficult to predict. The rising prevalence of VAT/GST worldwide has elevated indirect tax activities to key drivers of efficiency. Senior staff scattered across jurisdictions affects the location of decision making authority and value creation, with implications for corporate taxes. The rise of virtual organizations and more frequent business travel creates implications for payroll taxes and tax-effective employee compensation as well as corporate

taxes (e.g., in creating permanent establishment issues). All of the above are putting pressure on chief tax officers to question their tax operating models and find new ways to structure their teams, processes, and technology to meet the demands of the future.

### **What about the reputational risk?**

This is a constant challenge/risk for all international corporations. Tax today is at the forefront of the debate. It is critical that we as tax professionals learn how to communicate complex technical issues in a manner that can be comprehended by all. And to me, this is the biggest challenge we have to face.

### **In closing, what do you think is the role of tax professionals in such a constantly changing environment?**

As the world of tax transforms, tax professionals themselves are changing. Where the work used to require almost exclusively strong technical knowledge of both the law and accounting, now we need to add new skills to the mix. We need to understand technology and data analytics both for compliance and for strategic decision making. Understanding communications will be critical for managing and mitigating reputational risk. Understanding the business is now essential for ensuring the tax function adds its full potential value. The time when we, as tax professionals, would sit in our ivory towers and only talk amongst ourselves is long gone. We have to be part of the business world and learn to speak tax in a way that everyone will be able to understand us. Tax will continue to change, and it will continue to change all of us who work in this profession. 🙌

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# Good Corporate Governance Is Everyone's Business

“Good corporate governance is about ‘intellectual honesty’ and not just sticking to rules and regulations.”

—MERVIN KING, EX-GOVERNOR OF THE BANK OF ENGLAND

Corporate governance is currently a trendy subject. Stakeholders such as company shareholders, employees, supervisory authorities, governments, and society in general increasingly focus on matters such as transparency in management and the quality of financial reporting, executive remuneration, the way in which businesses address environmental and sustainable development matters, and corporate social responsibility.

The recent introduction of a new legislative framework for sociétés anonymes (SAs) emphasizing on corporate governance matters comes therefore at a good time. The new regulations put the spotlight on issues such as:

- The new obligation to define a clear and transparent remuneration policy. Executive compensation is not as lively a discussion in Greece as in other countries, given the usually dominant presence of the main shareholder; however, since remuneration level and policy are closely linked to the need for continuous workforce upgrading, this obligation may be something more than a simple procedural compliance requirement and could be combined with a pursuit to attract and retain highly qualified executive talent in boards and management.
- The more effective operation of the various board committees as well as the structure and function of the board itself. The shift of

important responsibilities to the board for matters such as related party transactions, the strict framework of responsibilities in taxation and insurance issues, the identification of board member responsibilities, and the emphasis of the new company law on preventing conflicts of interest will likely transform the practice of perceiving board positions as simply a formality that needs to be filled-in.

- Recourse to independent third parties who will issue opinions on whether the contract terms between a listed company and related parties are fair and reasonable. Company law is not the only thing that has changed. The Greek crisis has raised the stakes in the area of corporate governance; the most obvious example is the transformation in the systemic banks' management. Unfortunately, the crisis is also responsible for the shrinking of the Greek capital markets, a development that prima facie does not contribute to an environment where corporate governance is a priority. There is, however, a flipside: Such shrinking may lead to increased competition to attract international (debt or equity) investors, thus putting emphasis on the pursuit of excellence in corporate governance. Suffice to say that a legislative

**A LEGISLATIVE INITIATIVE IN ITSELF IS NOT ENOUGH**

initiative in itself is not enough. The behavior of management in situations of crisis or conflict of interest is critical in driving a true shift in culture.

In overview, good corporate governance is the willingness of a company to ask and respond to tough questions. Examples include an auditor challenging abnormal profitability of a remote subsidiary; an independent board member who raises issues of future strategy with the CEO; or the younger generation asking the patriarch of a family company about succession.

Equally critical is the role of the market and the supervisory authorities and how actively they ask difficult questions in order to distinguish between good and bad cases. Recent experience points a large share of responsibility on the market itself for not scrutinizing cases that, in retrospect, appear to be obvious instances of poor corporate governance.

The ball is in all stakeholders' court to truly shift culture towards a genuinely good corporate governance model. 🐾



— BY —  
**VASSILIS VIZAS**  
Tax Partner, PwC Greece

**THOUGHT LEADERS**

# **TAX EXPERTS FORUM**

**EXAMINING  
THE WORLD AHEAD**

As the American-Hellenic Chamber of Commerce celebrates its 15th Annual Athens Tax Forum, taxation is a hot issue more than ever. For the past 15 years AmCham's Taxation Committee, led by its chairman, economist Stavros Kostas, has been working tirelessly to make taxation our ally and business partner. With AmCham's support, the Taxation Committee and its members have been keeping close track of tax developments and addressing all major tax issues, while simultaneously being alert for lawful, tax saving and investment opportunities. In this Tax Experts Forum special, we look at the world ahead and how smart tax policies can boost growth and competitiveness. Business Partners Thought Leaders provide their unique insights into relevant policy developments, avenues to tax competitiveness, the impact of new technologies on taxation, the CCCTB, and the CJEU's recent judgment on tax abuse.

—ALEXANDRA LOLI

# Tax Competitiveness – Different Approaches Across Europe

**A**t the beginning of its sovereign debt crisis, Greece undoubtedly had a more competitive corporate tax system than it has today. While other countries used the crisis as the perfect opportunity to develop into tax friendly and tax stable jurisdictions, Greece opted to shoot itself in the foot and become instead a high-tax jurisdiction.

Indicatively, in 2011, the Greek statutory corporate income tax rate was 20%, the eighth lowest among the 36 OECD economies and tenth lowest among the 28 EU member states. In 2018, this tax was increased to 29%, being the eighth and sixth highest in the OECD and EU respectively. The tax on dividends also increased from 10% (in 2014) to 15% (in 2017). At the same time, the average Greek employee is paying more than 50% of his gross annual income in taxes and social security contributions.

The justification for this trend was that tax increases were a natural antidote to Greece's fiscal deficit. In essence, it was the inability and/or unwillingness of the Greek political system to accept what international experience has already proven: that overtaxation kills the economy.



— BY —

**JOHN KYRIAKIDES**

Partner,  
Kyriakides Georgopoulos  
Law Firm

both countries have low unemployment rates. Of course, corporate income tax rates are not the only reason for their recovery; however, they are an indication of how a growth-oriented crisis-stricken economy can face recession. And it is not only Ireland and Cyprus that set an example. Other EU member states—including Bulgaria, Romania, Hungary, Malta, and Cyprus—have adopted a policy of low tax rates, which is reflected in their high GDP growth rates (between 3,8% and 7% for 2017) and low unemployment rates (between 3,7% and 8,5% for 2018). Those jurisdictions have promoted tax incentives that attract foreign direct investments, high-skilled workers, or high-net-worth individuals.

Going in the opposite direction, Greece focused on increasing its tax revenues beyond the abilities of the local economy, while maintaining the anti-competitive features of its tax systems. For example, Greece remains a hostile jurisdiction for holding companies from a tax and financial perspective; this is evident in the fact that three of the companies listed in ATHEX's large cap index have changed (or attempted to change) their seat during the last few years. Instead of watching holding companies migrate or the ownership of local companies kept under newly established foreign holding companies, Greece could have copied holding-friendly measures, such as a participation exemption for capital gains, net interest deduction for equity financing, a less complex system for debt financing, or incentives for repatriated high-skilled employees and managers.

Has Greece lost the game of international tax competition? Statistics and empirical evidence suggest that most likely it has. Can this situation be reversed? International experience also suggests that it is possible, but would require long-term commitment and dedication to a stable, business-friendly tax regime with an equivalent adjustment of public expenditure. Business-friendly fiscal policies lead to growth, while excessive taxation only raises obstacles to business development and competitiveness.

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## HAS GREECE LOST THE GAME OF INTERNATIONAL TAX COMPETITION?

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Two of the other three EU member states that experienced a bailout, Ireland and Cyprus, treated their low corporate income tax rates as sacrosanct and kept them untouched. According to Eurostat, Ireland's GDP growth rate for 2017 was 7,2%, while Cyprus's was 4,2% (Greece's was 1,5%), and unlike Greece,

# Common Consolidated Corporate Tax Base (CCCTB)

In March 2018, the European Parliament approved the European Commission's proposal on the Common Corporate Tax Base (CCTB) and the Common Consolidated Corporate Tax Base (CCCTB) directives. These create a legal framework under which companies would be taxed in the EU under a harmonized corporate tax law system that also takes into account their digital activities.

The CCTB actually means that large MNEs, operating across borders in the EU, would no longer have to deal with 28 different sets of national rules when calculating their taxable profits. Instead, the directive provides for a common set of mandatory rules for the calculation of the taxable base, regulating the non-deductible expenses, limitations on interest, the carry-forward period for losses transferred, anti-avoidance measures, transfer pricing, R&D tax incentives, etc.



— BY —

**JENNY PANOU**

Partner – Head of Tax  
and Legal Services,  
AS Network

base of a multinational enterprise between member states. In practice, the directive provides that one of the companies of a multinational group (the principal taxpayer) will calculate the consolidated tax results, by offsetting profits and losses at EU level and will submit a tax return to the principal tax authority (one-stop shop).

Further, the consolidated tax results will be distributed among the member states concerned, based on a formulary apportionment approach. The latter consists of four equally weighted factors: labor (payroll and number of employees), assets, sales and data collected and exploited by digital content users. Finally, each member state will tax at the national tax rate the taxable profits corresponding to the local subsidiary or permanent establishment.

This distribution mechanism has been criticized by smaller member states, since it is argued that it will result in a loss of substantial amounts of taxes in favor of larger member states: Countries with a large working population will benefit from the labor factor, countries with a high manufacturing segment would benefit from the asset factor (for capital intensive industries), and high consumption states will benefit from the sales factor.

To address this issue, the directive provides that the European Commission will establish a compensation mechanism financed by the fiscal surplus from those member states that experience gains in fiscal revenues (set for an initial period of seven years).

In the form adopted by the European Parliament, the directives will be mandatory for groups of companies established within the EU, with a consolidated turnover exceeding €750 million. The threshold will be lowered to zero within maximum seven years.

The two directive proposals mention the deadline of December 31, 2019, for transposing their provisions, with measures to take effect as of January 1, 2020.

The proposal is now under consideration by the European Council and the Commission. The unanimous vote of all member states in the European Council is required to adopt the directives.

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**THE DIRECTIVES WILL BE MANDATORY FOR GROUPS OF COMPANIES ESTABLISHED WITHIN THE EU, WITH A CONSOLIDATED TURNOVER EXCEEDING €750 MILLION. THE THRESHOLD WILL BE LOWERED TO ZERO WITHIN MAXIMUM SEVEN YEARS.**

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In addition, the directive introduces the concept of a digital permanent establishment (DPE), representing a significant digital presence of a taxpayer providing online services to individuals or businesses in a member state other than its resident state.

The CCCTB directive contains the principles of fiscal consolidation and a formula to allocate the tax

# Substance

## A Novel Concept Under Review

Following recent developments in the field of international and EU tax law, it is apparent that the concept of substance is more than a simple catchphrase in cross-border planning. The introduction of the MLI and ATAD 1 and 2 is evidence that the international tax world is shifting to a substance-over-form paradigm; notably, ATAD 1 entered fully into force on January 1, 2019, coinciding with the MLI's provisions on withholding taxes.

Both the ATADs and the MLI are expected to trigger profound changes in the application of tax treaties and EU directives, introducing and incorporating the concept of substance. This concept is expected to play a key role in anti-abuse and treaty residence rules, also affecting transfer pricing structures and CFC rules among other things.

While no definition of the term may be found in do-



— BY —

**JOHN GIANNOPOULOS**

Director, Head of Tax  
Advisory Services,  
SOL Crowe

universally accepted definition of substance is bound to lead to a rise in tax disputes around the world.

On a tax treaty level per the OECD's Model Convention, where a company is considered to be a resident of both states involved, the conflict is resolved according to the place of effective management (POEM) tie-breaker rule, essentially, the place where key management and commercial decisions are made *in substance*, i.e. according to all the facts and circumstances pertaining to the case.

It must be noted that in the revised Article 4 of the OECD MTC 2017 edition and Article 4 of the MLI, cases of residence conflict may be resolved under the mutual agreement procedure which takes under consideration a variety of factors including the POEM rule. It should be noted that where states fail to reach an agreement, treaty benefits may be denied to the taxpayer.

Furthermore, the MLI introduces a principal purpose

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## THE LACK OF A UNIVERSALLY ACCEPTED DEFINITION OF SUBSTANCE IS BOUND TO LEAD TO A RISE IN TAX DISPUTES AROUND THE WORLD

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mestic law or double tax treaties, international jurisprudence identifies substance with a combination of functions, i.e. allocation of wages, assets, i.e. premises, offices, and risk allocation, i.e. risk-free back-to-back transactions. The level of substance required to avoid challenges by the tax authorities may be determined on a case-by-case basis; however, it seems that the required level is specific to each structure or activity under review. In this respect, for a holding company managing a single shareholding to meet substance requirements, the mere avoidance of letterbox/brass-plate companies may suffice. Nonetheless, the lack of a

test (PPT) in most tax treaties, aiming to limit treaty benefits in situations where the tax benefit was a main purpose of the arrangement or transaction. The broad scope of the PPT and its inherently subjective nature may give considerable leeway to tax authorities to exclude from treaty benefits structures or transactions where the PPT is deemed to be an application of a treaty benefit.

The interplay between the PPT and EU tax law where the application of the anti-abuse provision is limited only to wholly artificial arrangements without economic activity or substance should provide interesting results.

# Interest and Dividends Paid to EU Intermediary Holding Companies

## LANDMARK DECISIONS OF THE CJEU ON TAX ABUSE AND BENEFICIAL OWNERSHIP CONCEPTS

**O**n February 26, 2019, the Court of Justice of the European Union (CJEU) delivered two long-awaited judgments relating to proceedings concerning a refusal by the Danish tax authorities to grant to certain Danish companies exemptions from withholding tax on interest and dividends paid to group companies resident in other EU states. The exemptions at issue were provided for by the Interest and Royalties Directive (IRD) and the Parent-Subsidiary Directive (PSD) respectively, whereas the facts reviewed in the cases at issue (joined cases N Luxembourg 1, X Denmark, C Danmark I, Z Denmark as well as joined cases T Danmark and Y Denmark) involved interposed companies and non-EU ultimate parent companies, complex financial transactions, as well as the grant of intragroup loans.

The role of the CJEU is to interpret EU law so that it is applied in the same way in all EU states. These landmark decisions and their useful pointers are to be considered among others by companies making payments to group companies of other EU states, under the IRD and the PSD.

In more detail, the competent tax authorities had considered that groups of companies not satisfying the conditions of the IRD or the PSD respectively may sometimes create, between the company which pays the interest or dividend and the entity which is intended to actually have the use of it, one or more artificial companies meeting the formal conditions of



— BY —

**DAPHNE COZONIS**

Partner,  
Zepos and Yannopoulos



— BY —

**ELEANNA KAMPERI**

Senior Associate, Zepos  
and Yannopoulos

the directive. The court ruled in this connection on a number of referred issues, two of which concerned abuse of rights and the concept of beneficial owner related to the financial constructions under review.

The CJEU ruled that due to a general principle of EU law, where there is an abusive or fraudulent practice, the IRD or PSD exemption, as the case may be, is to be refused even if there are no domestic or tax treaty rules providing for such a refusal. The court provided a number of indications which as stated, if established by the referring court as being objective and consistent, can demonstrate an abuse of rights.

In accordance with the guidance provided by the court, an indication of artificiality could be that all or almost all of the interest or dividends are, very soon after their receipt, passed on by the companies that had received them to entities which do not fulfill the conditions for application of the IRD or PSD respectively. Another relevant indication could be the absence of actual economic activity of the recipient company, inferred by factors relating to that company's management, to its balance sheet, to the cost structure, to the staff that it employs and to the premises and equipment that it has.

As regards the concept of beneficial ownership as a condition of application of the IRD tax exemption, the CJEU ruled that a beneficial owner of the interest is the entity which actually benefits from the interest economically and accordingly has the power freely to determine the use to which it is put.

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**THESE LANDMARK DECISIONS AND THEIR USEFUL POINTERS  
ARE TO BE CONSIDERED AMONG OTHERS BY COMPANIES MAKING PAYMENTS  
TO GROUP COMPANIES OF OTHER EU STATES**

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# Fiscal Policy and Innovation: The Balancing Variable

**T**he appropriate way for governments to deal with the challenges their societies are confronted with still remains high on the public agenda. Environmental footprint reduction and public health protection are at the center of this debate.

The initial response of governments worldwide was to impose stricter regulations, a tighter framework aiming at reducing usage of all products and habits that are burdensome to public health and the environment. However, the development and, in particular, the maintenance of the necessary control mechanisms put additional pressure on public accounts, while the results failed to meet expectations.

Next came the introduction of the so-called “sin taxes.” Additional taxes were imposed on items such as alcohol, tobacco, plastic bags, and certain unhealthy food and beverages in an attempt to reduce bad con-



— BY —

**YANNIS ATHANASIADIS**

Fiscal Affairs Manager,  
Papastratos S.A.

## INNOVATION PROVIDES SOLUTIONS WHERE REGULATORS AND TRADITIONAL INDUSTRY PLAYERS HAVE FAILED TO DO SO

sumer habits. Were these measures successful? Taking tobacco as an example, the answer appears to be no. On one hand, illicit trade boomed, covering any excessive demand, while on the other hand, public revenue declined.

Perhaps it's time to take a different approach to finding a solution. Punitive tax policies can be complemented by the introduction of more favorable regimes for other alternatives reducing the root cause of the issue. The results in countries that have adopted such a differentiated tax policy are impressive and certainly a precedent worth examining.

The United Kingdom and the Netherlands offer vivid examples of successfully implemented tax differenti-

ation policies. Confronted with the issue of excessive alcohol consumption, both countries proceeded with an increase of excise duty on high alcoholic beverages, while simultaneously applying a tax discount to low alcoholic beverages. Thanks to this differentiation, both the state revenues and the consumption of low- or zero-alcohol products increased. In the Netherlands specifically, alcohol-free beer consumption rose to 33.4 million liters in 2015 from 12.5 million in 2010<sup>1</sup>.

Sweden is another example of the social benefits deriving from the implementation of a differentiated tax policy. In the '90s, the Swedish government, aiming at the reduction of the harm associated with cigarette consumption, increased excise duty on conventional tobacco products, keeping flat the tax rates on an alternative product called snus. Six years later, in 1996, the sales of this alternative product exceeded the sales of cigarettes<sup>2</sup>; most importantly, in 2017 Sweden was the country with the lowest smoker population and with the lowest tobacco-related disease incidence in the EU<sup>3</sup>.

In the era of the Fourth Industrial Revolution, there are no longer unknown variables in balancing fiscal policy objectives and the successful addressing of socio-environmental issues. Socially responsible innovation is the answer.

Innovation is behind the ideation of the first electric car, the designing of environmentally friendly products, and the development of public health harm-reduction alternatives. Innovation provides solutions where regulators and traditional industry players have failed to do so.

Now is the right time for Greece to move forward and design a tax model that fuels growth and promotes innovation by evaluating the social footprint of products and treating risk-reducing alternatives as part of the solution, not as part of the problem.

<sup>1</sup> Nederlandse Brouwers, Bierconsumptiecijfers 2016. <https://www.nederlandsebrouwers.nl/nieuws/actueel/consumptie-alcoholvrij-bier-verdriedubbeld-sinds-2010/>

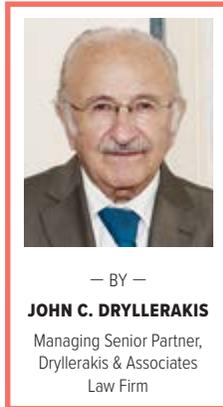
<sup>2</sup> Swedish Match, Tobacco Use in Figures. <https://www.swedishmatch.com/Snus-and-health/Tobacco-use/Tobacco-use-in-figures/>

<sup>3</sup> Special Eurobarometer 458: Attitudes of Europeans towards tobacco and electronic cigarettes (2017). <http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/surveyKy/2146>

# Abuse of Right and Tax Abuse

**T**axation's framework is set by the constitution in order to protect citizens from unjustified measures that may restrain their economic freedom. The constitution excludes administration from defining taxation and reserves this task for Parliament. Certain principles, such as the principles of certainty and of strict interpretation, go beyond the constitution. The former ensures the objectivity of tax legislation so that taxpayers know in advance their tax obligations, and the latter ensures that in dubio the letter of the law prevails and that application of tax law by analogy is categorically forbidden.

Lately, however, there is a trend in Europe to deviate from these principles that protect human rights and to prioritize tax collection and the fight against tax evasion. States, in their inability to produce fair sys-



ing tax evasion. Centuries ago, Adam Smith posited that the higher the taxes, the higher the tax evasion—yet States have still chosen to elevate tax compliance as the superior concept and have invented ways and rules to get around their applicable restrictions.

In civil law, mainly in continental legal systems, there is a single provision that can rescind and abrogate any exercise of legal rights if such exercise is considered an abuse of such rights. Intended to regulate extraordinary circumstances that deviate from normal ways of living and having dealings, this is a moralization of the law, based on subjective judgment of moral principles and standards. This aspect of civil law seems compatible with public law only in relation to the behavior of the authorities, as these have the powers, the abuse of which undermines democracy and human rights. In public law the prohibition of abuse of right appears as a mandate for fair administration, dictating the proper way of management; however, when this concept refers to the behavior of citizens, it raises philosophical and political questions and is incompatible with the principle of certainty governing tax laws.

Recently, EU tax law has evolved to include the concept of tax abuse, as depicted in the Anti Avoidance Directives (ATAD 1 and 2) of 2016 and 2017. In Greece, such a principle has been legislated as part of the Code of Tax Procedures (N.4174/2013) in Article 38. The latter claims any tax benefit enjoyed by the contracting parties if their relationship could be considered an artificial arrangement. Although it may appear attractive as a moral rule, this introduces subjective judgment and the challenge of the expediency of business decisions as part of the tax assessment. Consequently, this refutes or jeopardizes the certainty of taxation.

The aforementioned legal framework together with Council Directive 2018/822 on mandatory disclosure of potentially harmful tax planning arrangements by intermediaries create uncertainty in terms of tax implications of various business and non-business transactions and a negative environment for domestic as well as foreign inward investment.

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**CENTURIES AGO, ADAM SMITH POSITED THAT THE HIGHER THE TAXES, THE HIGHER THE TAX EVASION—YET STATES HAVE STILL CHOSEN TO ELEVATE TAX COMPLIANCE AS THE SUPERIOR CONCEPT AND HAVE INVENTED WAYS AND RULES TO GET AROUND THEIR APPLICABLE RESTRICTIONS**

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tems, invent various sets of rules and regulations to imprison taxpayers in their tax regimes, limiting their freedom to select their place of economic activity or at least to select the most proper kind of contractual relation to develop such activity, all in the name of fight-

# Ongoing Tax Reforms in the EU: Definite Answers Still to Be Expected

It is common knowledge that tax fraud, tax evasion, and tax avoidance limit the capacity of EU member states to raise revenues. Through tax avoidance, profits are shifted to or through a member state resulting in tax base loss for another member state. Tax evasion and fraud produce or increase inequalities and affect company activity, especially at the cross-border level. In this context, tackling tax evasion and fraud, while taking effective measures for preventing aggressive tax planning, is essential in order not only to secure tax revenues but also to strengthen tax morale between individuals and companies and promote a culture of compliance.

The fight against tax fraud, tax evasion, and tax avoidance within the European Union calls for coordination at both the EU and national level. Indeed, several initiatives have taken place at the EU level in recent years. In June 2015, the European Commission ad-



— BY —

**DR. PETROS  
PANTAZOPOULOS**

Partner,  
Fortsakis Diakopoulos  
Mylonogiannis and  
Associates Law Firm

## THE FIGHT AGAINST TAX FRAUD, TAX EVASION, AND TAX AVOIDANCE WITHIN THE EUROPEAN UNION CALLS FOR COORDINATION AT BOTH THE EU AND NATIONAL LEVEL

opted an action plan for fair and efficient corporate taxation, including the relaunch of the Common Consolidated Corporate Tax Base (CCCTB). The CCCTB provides for two stages of reform: first, the harmonization of the rules determining the taxable profits of large European and non-Europeans companies operating within the EU, and, subsequently, the introduction of a consolidation scheme for profits and

losses and a mechanism to allocate net profits between member states based on predetermined criteria (assets, labor, and sales).

Other key initiatives include the two Anti-Tax Avoidance Directives (ATAD 1 and 2) and directives in favor of tax transparency. ATAD 1 entered into force in January 2019, defining minimum standards with regard to controlled foreign company rule to deter profit shifting to low/no-tax countries, a hybrid mismatches rule to prevent double non-taxation, an exit taxation rule to prevent companies from avoiding tax when relocating assets, an interest limitation rule to discourage artificial debt arrangements designed to minimize taxes, and a general anti-abuse rule to counter aggressive tax planning when other rules do not apply. ATAD 2, with measures to tackle hybrid mismatches in relation to third countries, is scheduled to enter into force in January 2020. Furthermore, several amendments were made in recent years to the Directive on Administrative Cooperation (DAC), including the new rules for intermediaries—such as tax advisers, accountants, banks and lawyers—that design or sell potentially harmful tax schemes (DAC6). Progress has also been made in the area of exchange of information, with the extension of automatic exchange of information to almost to all categories of income. EU member states have also adopted or improved various directives and regulations as regards other forms of administrative cooperation, such as joint audits and tax collection. Despite these measures, one could expect closer cooperation between member states. Yet there is still mistrust between member states engaged in tax competition, with smaller member states fearing that certain initiatives may reduce their tax revenues (e.g. through profit diversion) or their tax autonomy. However, in light of current geopolitical developments, the EU and member states cannot afford mistrust. The global tax competition and continuous efforts of individuals and legal entities to avoid taxation of their profits call for acceleration of all actions within the EU.

# CCTB for the EU vs Unilateral Measures by Member States

Last February, Apple® agreed to pay 10 years of back taxes to France. Apple has not disclosed the size of the settlement but said in a statement: “We know the important role tax payments play in society, and we pay all that we owe according to tax laws and local customs wherever we operate.”

Large tech firms such as Apple have been criticized for the small amounts of tax they pay in EU countries including France and the UK relative to the billions in sales they report in these countries. In the UK, Chancellor Philip Hammond recently announced plans to introduce a special digital services tax by 2020 on online firms making more than £500 million globally per year. France is also introducing the so-called “GAFA” tax—referring to Google, Apple, Facebook, and Amazon—which would affect



different locations. This makes it impossible to determine location for the purposes of defining where wealth is created and hence the source of income taxation. This is the reason why countries like France end up introducing unilateral measures to collect taxes from tech giants who on their part appear willing to pay. But is it possible to resolve this complex issue through unilateral actions of member states? It need not be so. This issue can be addressed by the Common Consolidated Corporate Tax Base (CCCTB) launched by the European Commission.

According to the CCCTB, depending on the location where the parent of a multinational resides, the corresponding member state is responsible for assessing the group’s tax base by application of a formula. The formula apportionment employs factors like capital, sales and labor on which the allocation is based. Finally, every allocated share of profit is taxed in the respective member state with the relevant corporate income tax rate. The multinational would only have to deal with one tax administration and would be subject to a single set of tax rules. In principle, the profit tax becomes a tax on the factors included in the formula, i.e. capital, sales and labor. Tax planning is still possible as companies have an incentive to shift the tax base to low-tax jurisdictions by means of transferring the formula factors, e.g. capital (i.e. assets), and not just their headquarters. Because tax planning under separate accounting focuses on tax base shifting whereas tax planning under a formulary apportionment will focus on the location of investments.

It is estimated that the CCCTB can raise investment in the EU by 3.4% and growth by up to 1.2%. It will encourage business and investment by offering companies solid and predictable rules, a fair and level playing field, and reduced administrative costs. Unilateral measures, on the other hand, increase uncertainty and the risk for double taxation.

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## IT IS ESTIMATED THAT THE CCCTB CAN RAISE INVESTMENT IN THE EU BY 3.4% AND GROWTH BY UP TO 1.2%

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tech companies with global sales of more than €750 million and €25 million in France.

It is important to remember that apart from online sales of products, a significant part of the income of these companies comes from the provision of online services. Users access their accounts from remote locations; providers are almost always located in multiple taxing jurisdictions; and the data traffic itself, via the internet’s complex architecture, is routed through

# VAT on Bad Debts Case: A Good Paradigm

**A**s one of the lawyers who co-represented the major litigant in the famous, by now, case regarding the VAT on Marinopoulos Group's bad debts, I am tempted to comment upon the merits of the case.

Yet the value of this case lies also in the procedure itself, which constitutes a paradigm of coordination between the business community, the administration, and the courts.

The case is well known. The Greek legislation on the recovery of VAT did not allow recovery of the VAT that Marinopoulos Group's suppliers had paid, even though the underlying debts had been written off in the course of the insolvency procedure and EU legislation was far from clear on the matter.



— BY —

**EVANTHIA TSIRI**

Senior Partner,  
Stavropoulos and Partners  
Law Office

The tax administration however made use of the so-called “pilot-case” procedure that was introduced in 2011 (Law 3900) with a view to accelerating a decision by the Supreme Court on disputes with widespread impact.

This initiative of the administration, which also sought certainty on the matter, must be appraised especially in view of the likelihood of a result that would cost to the public treasury.

The Supreme Court responded positively to the request for a pilot case and arranged for a hearing within a period of just a couple of months; the decision too was issued in a timely fashion and within a very reasonable timeframe given the complexity of the case.

Apart from this time efficiency, the Supreme Court issued a high-quality decision that dealt thoroughly with rather delicate questions of both tax and commercial law and resolved the matter in a definite and clear way. The whole experience is a bright example of how the system can work well when there are appropriate mechanisms in place and, more importantly, when there exists a will for matters to be progressed. And we have in place modern laws, an eager tax administration, and a responding judiciary.

As regards the substance of the case, as the court held, the proper interpretation of the Greek VAT law provision, in light of EU law and the jurisprudence of the European Court, dictates that the VAT on bad debts that are definitely not payable based on a procedure described in law should be recoverable by the supplier who was burdened with this tax upon issuance of his invoice. It might sound obvious, but according to the applicable provisions, it wasn't.

Thanks to the harmonized actions of certain companies, the business associations, the tax administration and the Supreme Court, the matter is now clear. It took some time and effort, but in any event, according to the Supreme Court, the refund of the VAT will be interest bearing.

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## THE SYSTEM CAN WORK WELL WHEN THERE ARE APPROPRIATE MECHANISMS IN PLACE AND, MORE IMPORTANTLY, WHEN THERE EXISTS A WILL FOR MATTERS TO BE PROGRESSED

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For this reason, a number of companies decided to pursue the case through legal means while business associations applied pressure to the tax administration to resolve the matter through guidelines. It must be said, however, that this was a matter hardly possible to resolve through administration guidelines, because authentic interpretation of legal provisions, which was needed in this instance, falls under the competence of the courts.

# Taxation Policy and the Rule of Law

## TAX ADMINISTRATION AND COURTS TOWARDS ENHANCING TAX COMPETITIVENESS

**T**he Greek State comprises three powers: the legislative, the administrative, and the judicial. The functioning of the state depends on the exact functioning of these three powers, which, although independent, overlap to a certain degree to make the system work.

During the period of economic crisis, consecutive tax policy amendments of a rather tax-collecting character were introduced, aiming at increasing revenues. Inevitably, tax justice was called in to interpret tax legislation, weighing between the impartial implementation of constitutional principles and the need of the state, enforced by the tax legislator and implemented through the tax administration.



Court, through its decision No. 2465/2018, ruled on the issue of the nature of the special solidarity tax and confirmed that such tax falls within the scope of double tax conventions, contrary to the stance persistently adopted by the tax administration. Notably, the tax administration immediately complied with the interpretation adopted by the courts, sparing the taxpayers of unnecessary compliance, administrative and judicial costs. At the same time, the tax administration has taken a step towards enhancing tax competitiveness in the income taxes field, while aligning with international tax principles and practice.

Adding to this trend, very recently, the Supreme Administrative Court has provided a relief on the issue of bad debt VAT deductibility, through its decision No. 355/2019. This decision is in full alignment with EU VAT legislation and the well-established EU jurisprudence, further enhancing tax competitiveness, this time through confirming the principle of fiscal neutrality in VAT. Even though the case concerned VAT bad debt on pre-insolvency situations, it undoubtedly sets the ground for VAT treatment of substantially similar situations concerning bad debts.

The importance of this ruling from a tax perspective notwithstanding, it is remarkable that this case was brought before tax justice on the tax administration's initiative via the pilot trial proceedings regime. Having this in mind, one could clearly conclude that the tax administration aimed at resolving the issue in a definite manner towards a consistent implementation of the EU legislation.

Undoubtedly, the tax administration faces the challenge of striking a balance between creating a tax competitive environment while preserving fairness and a level playing field. Acknowledging the positive developments in Greece's tax landscape, it remains to be seen how tax policy, lying between the legislative, administrative and judicial powers, will adapt to the global tax challenges ahead.

## IT REMAINS TO BE SEEN HOW TAX POLICY, LYING BETWEEN THE LEGISLATIVE, ADMINISTRATIVE AND JUDICIAL POWERS, WILL ADAPT TO THE GLOBAL TAX CHALLENGES AHEAD

Notably, it is the tax justice that has done the most to restore taxpayer trust in the tax administration. Following the groundbreaking ruling of the Supreme Administrative Court in 2017 (Council of State, decision No. 1738/2017) that put an end to the consecutive extensions of the five-year statutory limitation period of the right of the state to impose taxes<sup>1</sup>, two more decisions have been released, contributing to the establishment of trust and to the country's tax competitiveness. Specifically, the Supreme Administrative

<sup>1</sup> It remains to be seen whether the similar issue of the statutory limitation period of the right of the state to impose taxes in the cases of Greek enterprises that have been audited by certified auditors and have obtained an "unqualified tax certificate" will be ultimately resolved.

# The EU Anti-Abuse Principle

## CJEU JUDGMENTS ON DANISH BENEFICIAL OWNER CASES

**O**n February 26, the Court of Justice of the European Union (CJEU) issued its long-awaited judgments on the “beneficial owner” cases<sup>1</sup>. The main question was whether dividend and interest payments were exempt from withholding tax, in accordance with the Parent-Subsidiary Directive (PSD) or the Interest-Royalty Directive (IRD), when the payments were made by a Danish company to an EU company, if the payments were fully or partially passed on to an ultimate parent company resident in a third country.

The CJEU clarified that the term “beneficial owner” concerns not a formally identified recipient but rather the entity that benefits economically from the income received and has the power freely to determine the use



— BY —  
**STAVROULA MAROUSAKI**  
Tax Director,  
PwC

reflect economic reality, its structure is purely one of form, and its principal objective or one of its principal objectives is to obtain a tax advantage running counter to the aim or purpose of the applicable tax law.

That is so, *inter alia*, where a conduit entity is interposed in the structure that otherwise would not be covered by the IRD or PSD. If the funds are passed on wholly or partially shortly after they are received, this may be an indication that the entity is a conduit and this could be an indicator of abuse. It is not a requirement that there is a contractual obligation to pass on the payment.

Another indication of abuse may be if the recipient lacks substance. The absence of actual economic activity must be inferred from an analysis of the relevant factors relating, in particular, to the management of

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## THE CASES HAVE A SIGNIFICANT IMPACT ON MOST INTERNATIONAL GROUP STRUCTURES AND THE FLOW OF FUNDS FROM EU SUBSIDIARIES TO PARENT COMPANIES

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to which it is put. Moreover, based on the general EU anti-abuse principle, an EU member state has to deny benefits following from the IRD or PSD if an arrangement constitutes abuse of rights.

Proof of an abusive practice requires, first, a combination of objective circumstances in which, despite formal observance of the conditions laid down by EU rules, the purpose of those rules has not been achieved and, second, a subjective element consisting in the intention to obtain an advantage from the EU rules by artificially creating the conditions laid down for obtaining it.

A group of companies may be regarded as an artificial arrangement where it is not set up for reasons that

the company, to its balance sheet, to the structure of its costs and to expenditure actually incurred, to the staff that it employs and to the premises and equipment that it has.

Regarding the burden of proof, the CJEU stated that an EU member state is obliged to prove that an arrangement is abusive, but if the authorities conclude that the recipient of the income is not the beneficial owner, they are not obliged to determine which entity is the actual beneficial owner.

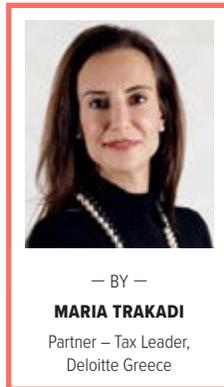
The cases have a significant impact on most international group structures and the flow of funds from EU subsidiaries to parent companies, especially when the ultimate parent is resident in a third country.

<sup>1</sup> Judgments T Denmark and Y Denmark vs. the Danish Ministry of Taxation (Joined Cases C-116/16 and C-117/16 – “the dividend cases”) and N Luxembourg 1, X Denmark A/S, C Denmark I, and Z Denmark ApS vs. the Danish Ministry of Taxation (Joined Cases C-115/16, C-118/16, C-119/16 and C-299/16 – “the interest cases”)

# Tax, a Lever for Competitiveness and Growth

**A**cademics, policymakers and international organizations have been analyzing and debating the relation between taxation and growth for years. It is evident through reports such as the World Economic Forum's Global Competitiveness Report that taxation is a significant metric in evaluating the competitiveness of countries. Especially in relation to foreign direct investment, the OECD's and UN's special reports have correlated taxation with the mobility of investments worldwide.

At Deloitte, we have been focusing for some time now on the tax incentives available across jurisdictions, and we see that in many cases they are the enabling drivers of growth. In most countries and industry



resulting in constant change, sun-setting laws, transition rules, and complex enforcement policies.

At the same time, technologies stemming from the fourth industrial revolution have already enabled tax authorities to go beyond traditional tax auditing methods. Using data analytics and artificial intelligence, tax authorities are improving the way they cross-correlate tax records to establish fraudulent or undisclosed activities. As ever-increasing processing power enables more data analysis, the application of tax rules and legal regulation will eventually evolve into an automated process, and this may well be the way to reduce corporate tax rates. The UK's example shows that technologies such as XBRL and Connect have contributed to the reduction of the corporation tax rate from 28% to 20% in less than a decade. This has helped improve the UK's competitiveness, contributing to robust economic growth, which has, in turn, led to higher profits for companies and higher corporate tax receipts for the UK Treasury.

When it comes to growth and competitiveness, corporations consider taxes to be one of the cost elements that can make products or services competitive or not. Tax incentives, such as R&D credits and IP boxes, provide reduction of taxes for specific sectors of an economy, making IP related products and services more competitive in the global markets. Lower corporate tax rates, on the other hand, can reduce the cost of products and services across the whole economy, helping the overall competitiveness of a country. Nevertheless, many governments do not consider taxes as growth tools. In fact, taxation policy is often considered as an instrument for redistributing wealth or even influencing public behavior.

It is up to governments to realize the significance of taxes for the competitiveness of products and services that target the global markets. Policymakers can use tax incentives to enable growth in specific sectors of the economy corporate tax reductions as a means to enable horizontal growth across the economy. It is up to them. 🐼

## TECHNOLOGIES STEMMING FROM THE FOURTH INDUSTRIAL REVOLUTION HAVE ALREADY ENABLED TAX AUTHORITIES TO GO BEYOND TRADITIONAL TAX AUDITING METHODS

sectors, a system of financial incentives is available to fuel research, innovation, capital expansion, energy sustainability, employment, and training. These incentives are available for both domestic investments and growth opportunities abroad, as well as at various government levels (e.g. federal, regional, and local), and they are constantly changing to align with shifting political and social developments. Some governments are making their incentives more generic to foster growth, whereas others are targeting specific sectors to address narrow policy goals. The effectiveness of government incentives is always being evaluated, thus

# TAXATION COMMITTEE

## Mission Statement

To monitor the external support of U.S.-interest and other Chamber member corporations operating in Greece, in their efforts to fulfill their taxation requirements, while addressing all major tax issues and dependencies, and not overlooking any lawful, tax saving opportunities. The motto of the committee is: “Convert taxation into a true business partner.”

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### TAXATION COMMITTEE ACTIVITIES

- Annual Tax Fora (Athens & Thessaloniki)
  - Tax Fora Findings and Conclusions (Memorandum to the Greek tax authorities)
  - Committee Members participation to various tax conferences and seminars
  - Working luncheons and close cooperation with tax authorities
  - Meetings with ministerial leadership
  - Articles
  - Studies and research
  - Monitoring of new taxation laws
  - Policy, Advocacy
-

# TAXATION COMMITTEE

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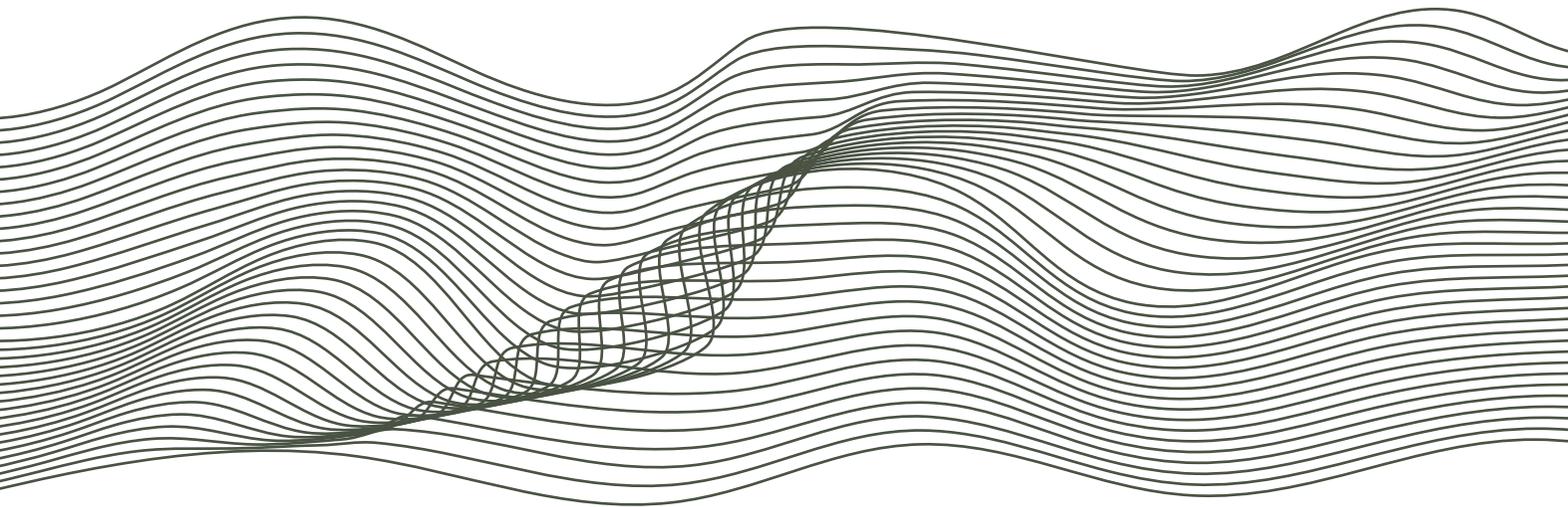
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# FOSTERING TOMORROW'S AGILE SELF-LEARNERS

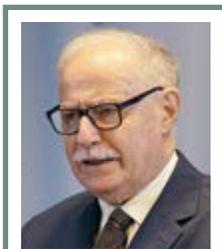
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Why *how* is more important than *what* when it comes to education

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**S**tudents in Greece and their parents tend to ask the same questions when they investigate options for higher education, and among the most frequent are those having to do with the courses they'll be taking. Surprisingly, few ask how they will learn. Yet in a labor market that is rapidly changing under the disruptive force of technological innovation, the skills they need to thrive are those that enable them to adapt to these changes.

The focus on what you learn is understandable. It's due in part to the traditional view of higher education as something that prepares you for a career in a specific sector in which you'll work for years to come. Certainly, education does involve mastering the essential body of knowledge and skills in the student's field of interest. I believe, however, that there are several reasons why students should not base their decision about where to study too narrowly on what they'll learn and forget about how they'll learn.



— BY —  
**LEONIDAS PHOEBUS  
KOSKOS**  
Esq., President, Hellenic  
American University/  
Hellenic American College

## THE MOST IMPORTANT SKILLS THAT COMPANIES ARE LOOKING FOR ARE THE ONES THAT CUT ACROSS DISCIPLINES.

A recent survey of roughly 1,000 business executives and hiring managers for the Association of American Colleges and Universities (AACU) provides an answer. The report, titled "Fulfilling the American Dream: Liberal Education and the Future of Work", found considerable gaps between the skills these executives were hoping to find and the ones their job applicants had. The high-priority skills they identified included competencies such as critical thinking, oral and written communications, ethical judgment, and the ability to work independently but also in teams. Research by the consulting firm PwC, involving almost 1,400 interviews with CEOs around the world, confirms this finding. In their summary presentation, titled "The Talent Challenge: Harnessing the Power of Human Skills in the Machine Age", PwC reports that more than three quarters of the executives they interviewed were concerned about their firm's ability to recruit people with certain key skills. Indeed, the skills executives considered very important but the most difficult to find were not sector-specific but skills such as problem-solving, creativity, adaptability and leadership.

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## THE WEF ESTIMATES THAT 20% OF CURRENT WORK ROLES ARE LIKELY TO BECOME OBSOLETE AND BE DISPLACED BY 2022

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## THE CAREER STUDENTS IMAGINE FOR THEMSELVES MAY NOT EVEN EXIST IN 10 YEARS' TIME.

Consider some of the jobs in demand today: drone operators, mobile app developers, social media managers, search engine optimization analysts. None of them even existed 10 years ago. At the same time, employment in work roles such as accountants, financial analysts, customer service representatives is stagnant or already declining.

The World Economic Forum's (WEF) "Future of Jobs Report 2018", a survey of Chief Human Resource Officers in firms in 20 developed and emerging economies, representing 15 million workers in a broad spectrum of sectors, identified four developments that will drive business growth and disrupt the labor market in the coming years: high-speed mobile internet, artificial intelligence, big data analytics, and cloud computing.

The WEF estimates that 20% of current work roles are likely to become obsolete and be displaced by 2022. The good news is that technological changes will also create new work roles—an estimated 27% more during the same period. Demand is expected to grow for professionals in tech fields such as big data and machine learning but also for digital marketing and strategy specialists, as well as people and culture specialists.

The WEF report estimates that almost half of the required workforce skills will have shifted by 2022, even for jobs not expected to decline. The skills expected to be trending in 2022 range from critical thinking and problem-solving to ideation, innovation, and creativity. Companies estimate that they'll need to significantly reskill and upskill more than half their workforce, with about 20% needing six months of retraining or longer.

### HOW YOU LEARN IS JUST AS IMPORTANT AS, OR PERHAPS MORE IMPORTANT THAN, WHAT YOU LEARN.

The skills in demand now and expected to be trending in 2022 cannot be acquired by attending lectures. They can only be gained through active learning that forces students to question their assumptions and move



A CLASS OF MBA STUDENTS AT HELLENIC AMERICAN UNIVERSITY/HELLENIC AMERICAN COLLEGE

out of their comfort zone. Through assignments and projects that require them to apply theoretical knowledge to real-life problems and to analyze material from a range of sources and synthesize their findings in a tightly argued report. Through fostering students' ability to identify what they don't know and develop strategies to learn what they need to know.

In the AACU survey, most respondents noted that they would be

more likely to hire someone whose college experience included something more than just courses in the major; roughly 60% said they would be much more likely to hire a graduate who had completed an internship or apprenticeship with a company or organization. But "multiple courses requiring significant writing assignments" was also important, as were collaborative research projects, a senior capstone or thesis project or service learning project with a community organization.

As the WEF Report concludes, the challenge for society is to ensure that we have "a motivated and agile workforce, equipped with future-proof skills to take advantage of new opportunities through continuous retraining and upskilling."

These skills are precisely the ones cultivated by an approach to the how of learning that I consider a hallmark of American higher education, including that offered by Hellenic American University/Hellenic American College. And they're the reason why prospective students and their parents, when investigating options for higher education, should make sure they ask the *how* question as well as the *what*. 🐾

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## THE CHALLENGE FOR SOCIETY IS TO ENSURE THAT WE HAVE "A MOTIVATED AND AGILE WORKFORCE, EQUIPPED WITH FUTUREPROOF SKILLS TO TAKE ADVANTAGE OF NEW OPPORTUNITIES"

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# MAKE WAY FOR GREEK STARTUPS

SHOWCASING INNOVATION AND ENTREPRENEURSHIP AT CES 2019

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In January this year, a group of promising Greek startups took part in CES 2019, the world's foremost gathering place for all those who thrive on the business of consumer technologies.

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**T**he ten Greek startups participated as part of the Greek Pavilion, a mission that was organized by the Greek Ministry of Digital Policy, Telecommunications and Media in partnership with the American-Hellenic Chamber of Commerce and Enterprise Greece. The joint initiative aimed to showcase Greek innovation and entrepreneurship and boost the country's thriving startup scene by providing crucial exposure and networking opportunities with top industry representatives from around the world.

CES 2019 took place January 8-11 in Las Vegas, Nevada. Over those four days, more than 4,500 exhibitors from 155 countries and regions showcased cutting-edge tech innovations to an audience of some 180,000 attendees. The event took place across an area of nearly 3 million net square feet of exhibit space at the Las Vegas Convention

Center. One of the most-visited exhibit areas of CES 2019 was Eureka Park, a dedicated area for startups, which this year featured over 1,200 new companies from more than 30 countries. Arranged as national pavilions, Eureka Park showcases some of the event's most forward-thinking and out-of-left-field ideas, offering disruptive innovations and attracting major investors and representatives of big name brands.

Representing Greece's burgeoning startup scene, the Greek Pavilion hosted a selection of promising Greek startups: bubbllz, City-Crop, Norbloc, ORamaVR, Oviview, PlantBox, Ridemind, SpotlightPOS, Tekmon, and UoM Robotics. The pavilion was visited by national delegations and attracted the attention of international media representatives as well as global companies and investors.

CES 2019 GREEK DELEGATION TEAM



**T**he American-Hellenic Chamber of Commerce is very pleased to have joined forces with the Ministry of Digital Policy, Telecommunications and Media, Enterprise Greece, and the country's startup community to successfully organize the Greek Pavilion at CES 2019, giving promising Greek startup companies the chance to participate in this major international trade show, demonstrate their products and services, meet with other businesses and investors, and explore all the available opportunities. At the same time, our successful presence shone a spotlight on the country's burgeoning and successful startup community, highlighting the positive impact it could have on the Greek economy.

— **ELIAS SPIRTOUNIAS**  
Executive Director of the American-Hellenic Chamber of Commerce

**E**nterprise Greece supports the efforts of talented Greek scientists and entrepreneurs to present their innovative ideas and products at major industry exhibitions such as CES. In addition to the promotion of traditional products and services, as well as of innovative Greek ideas, Enterprise Greece supports the efforts of startups to cooperate with international companies in order to achieve strategic partnerships that will contribute to overall economic growth and to boosting employment.

— **GRIGORIS STERGIOLIS**  
President and CEO of Enterprise Greece



GREEK DELEGATION TEAM  
IN CONVERSATION WITH  
ISRAELI DELEGATION EXECUTIVES

**T**hrough the successful organization of the Greek mission to CES 2019, the American-Hellenic Chamber of Commerce proved its strong commitment to the integrated support of the Greek startup ecosystem and its clear orientation towards enhancing extroversion and supporting the penetration of innovative entrepreneurship into international markets, with emphasis on that of the United States.

The participating startups had the opportunity to hold B2B meetings with hosted buyers from abroad, discussing their products so as to recommend startup solutions to more organized technology businesses, and gaining valuable insight into the needs of different markets from different countries.

— **LITSA PANAYOTOPOULOS**  
Secretary General of the American-Hellenic Chamber of Commerce and Chair of its Education-Innovation-Entrepreneurship (EIE) Committee

**“B**ringing tomorrow, today for all Greeks.” The Greek Ministry of Digital Policy, Telecommunications and Media could not have chosen a motto more to the point. Towards its implementation, there is no better partner than Greek startupper. Scientists and entrepreneurs at the same time, full of innovative ideas and the will to turn them into projects that will conquer the world! The #DigitalGreece project, an idea by Minister Nikos Pappas, aims to help these young Greeks prove to the world that, given the right support, a Greek startupper can compete at an international level—a fact absolutely obvious to all of us who took part in the first official Greek participation in CES 2019.

— **GEORGE CHRISTOFORIDIS**  
Helexpo-TIF Advisor and Head of the “#DigitalGreece powered by the Ministry of Digital Policy Telecommunications and Media” project



**GREECE'S AMBASSADORS TO CES 2019**



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Unlocking our Mind

**CES**

CES, the Consumer Electronics Show, has been a showcase of consumer technology innovation since its inauguration in 1967. Over the years, it has emerged as the largest and most influential technology event on the planet. The annual trade show is organized by the Consumer Technology Association (CTA), a technology trade association representing the \$398 billion U.S. consumer technology industry. Held every January at the Las Vegas Convention Center in Las Vegas, Nevada, it attracts the world's business leaders and pioneering thinkers to a forum where the industry's most relevant issues are addressed.

## PARTICIPANT TESTIMONIALS

CES 2019 has been an outstanding experience that could never have come true without the crucial contribution and huge support of the American-Hellenic Chamber of Commerce, Enterprise Greece and the Ministry of Digital Policy. During the event, we had the opportunity to demonstrate our revolutionary approach that utilizes robotics to aid people with autism spectrum disorder and our breakthrough educational robotics research and applications. In addition, we had the chance to communicate and discuss with remarkable people from the very best tech brands in the world.

— **APOSTOLOS SAROGLOU** UoM Robotics Academy

It was a great honor to present the SpotlightPOS services and the company's newest lifestyle wallet, the Spotfolio application, at this extraordinary conference. It gave us the chance to become part of the future consumer technology trends, and as ambassadors to CES 2019 in Las Vegas, SpotlightPOS wishes to publicly thank the American-Hellenic Chamber of Commerce, the Ministry of Digital Policy, and the Enterprise Greece initiative for this opportunity.

— **MARGARITA DOMPA M.D.** SpotlightPOS

CES 2019 was a fantastic experience that helped Ridemind communicate its business to a global network! The American-Hellenic Chamber of Commerce was very supportive and helped us a lot!

— **ANTONIS KARALOULIS** Ridemind

It was a great experience to be at the heart of global technology innovation and exhibit with top startups from all over the world. People from the Chamber were the key partners for us and did their best to promote us and help us in any way they could.

— **VASILEIOS TSIPAS** PlantBox

We were given the unique opportunity to promote ORamaVR's global innovation among 1,200 startups from 40 countries, in an exhibition attended by more than 180,000 visitors.

— **PROF. GEORGE PAPAGIANNAKIS** ORamaVR

The CES 2019 exhibition in Las Vegas was definitely a tremendous experience. The Oviview team received great feedback and gained positive experience, helping us to improve our services but also to create business relationships through networking on the international level. It was a great opportunity, especially since our services seemed to be more than desired and acceptable.

Taking part in such events so to promote endogenous entrepreneurship by advertising it at the international level is a very creative action for Greece and the American-Hellenic Chamber of Commerce. Especially for companies such as Oviview, which is now targeting international markets, the trip to the CES 2019 in Las Vegas has been a stepping stone for many more!

— **ASTERIOS KRITIKOS** Oviview

CES 2019 was a great experience. Thanks to AmCham, we participated in the biggest expo and conference for innovation and made contacts that would never have been possible without our presence at CES 2019! All the support we had was at a top level of interest from all members of the AmCham team! Thank you, AmCham!

— **KONSTANTIOS BATSIOLAS** bubblz

# Law 89

## AN ATTRACTIVE REGIME FOR SHARED SERVICES CENTERS IN GREECE

The so-called “Law 89 regime,” among the least known investment incentive pieces of legislation available in Greece, is there to promote the establishment of shared services centers in Greece, i.e. Greek entities providing specific back-office services to other, usually foreign, entities of the same group.

Since 2005—when the Greek government successfully transformed regimes such as the Law 89 regime (also called “commercial Law 89 regime” so as to be distinguished from the “maritime Law 89” one) to meet EU standards against tax avoidance—entities providing specific back-office services to other entities of the same group may exclusively provide one or more of the following services: consulting services, accounting support, quality review on production of products and services, drafting studies, designs and contracts, advertising and marketing services, data processing, receipt and provision of information, and research and development services. Very recently (March 2019), the permitted types of services were expanded so as to include software development, computer programming, IT systems support, information filing, storage and management, supply chain management, as well as HR- and call center-related activities. The scope of permitted services may now foster the establishment of a full-fledged, grand-scale shared services center that may serve most

of the support functions needed in a multinational group. A special application should be filed per se with the Ministry of Economy, accompanied by a benchmarking study further to the OECD transfer pricing guidelines. Once approved, said entity should employ at least four people and have at least €100,000 of annual expenses.

Two basic tax features make this regime really attractive. The one is the absolute certainty of its corporate tax base, as its taxable

profits are determined by applying a specific markup (no less than 5%) on its total expenses. Thus, any expense which is properly recorded in the Greek books should be treated as tax deductible. The other relates to individual income taxation, since all its non-Greek employees are taxable in Greece on their Greek-source income only, leaving any other source of income (i.e. foreign capital gains, fees for services rendered abroad, etc.) practically tax-free. It should be also noted that

foreign employees of a Law 89 company may get a five-year visa to work and travel easily, a very useful tool for third country (e.g. USA, China, Latin America) executives traveling within the EU.

New legislation explicitly mentions that provision of services through the Law 89 offices is excluded from the application of the effective management criterion attracting the tax residence of foreign legal entities in Greece. Different kinds of subsidies have also been made available to Law 89 companies, provided new jobs are created.

All that by itself may not sound too innova-

**THE SCOPE OF PERMITTED SERVICES MAY NOW FOSTER THE ESTABLISHMENT OF A FULL-FLEDGED, GRAND-SCALE SHARED SERVICES CENTER**



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**CONSTANTINE  
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Director, Tax and  
Outsourcing,  
Grant Thornton Greece

tive; however, as a senior executive of a multinational client once told me, he could not imagine someone opting to live in a cold, northern European country (e.g. Switzerland, where many of the multinationals’ regional headquarters are based) instead of Greece. The Law 89 regime does provide an alternative to the “Swiss sandwich” structure and other modernized equivalents to the same end. 🇬🇷

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## Greek Hospitality Awards 2019



The 2019 Greek Hospitality Awards took place on February 22 at the Athenaeum InterContinental Hotel in the Greek capital, honoring and awarding excellence, innovation and outstanding service in the country's hospitality industry.

Grecotel Corfu Imperial Exclusive Resort in Corfu and Sani Resort in Halkidiki took

home the titles of Top Greek Hotel 2019 and Top Greek Resort 2019 respectively, while the Peloponnese was awarded the honor of Best Greek Hospitality Region of the year.

Some of the other hotels honored at the event include:

**Antigon Urban Chic Hotel** (Thessaloniki) Gold Award, Best Greek New City Hotel

**The Artist Athens** (Athens) Gold Award, Best Greek Design City Hotel

**Finikas Hotel Naxos** (Naxos) Silver Award, Best Green Resort

**Ilaeira Mountain Resort** (Taygetos) Gold Award, Best Greek Mountain Resort

**Kallichoron Art Boutique Hotel** (Astypalea) Silver Award, Best Greek Hotel Breakfast

**Katikies Resorts & Club** (Santorini) God Award, Best Greek Hotel Brand

**Kooklis Village** (Zakynthos) Bronze Award, Best Greek Family Resort

**Mirabilia Boutique Hotel** (Halkidiki) Silver Award, Best Greek Hotel Tailor Made Guest Experience

**Mr and Mrs White Corfu** (Corfu) Silver Award, Best Greek Boutique Resort

**Mr and Mrs White Paros New Style Hotel** (Paros) Gold Award, Best Greek Boutique Resort

**Nefeles Luxury Residences & Lounge** (Mainalon) Gold Award, Best Ski Resort

**Novotel Athens** (Athens) Silver Award, Best Greek Hotel Loyalty Program

**NVJ Athens Plaza** (Athens) Gold Award, Best Greek Sustainable Hotel

**Oasis Scala Beach Hotel** (Agistri) Silver Award, Best Greek Excellence in Service Hotel

**Ostraco Luxury Hotel & Suites** (Mykonos) Bronze Award, Best Greek Design Resort

The Greek Hospitality Awards, now in their fifth year, are organized by Ethos Awards in partnership with banks.com.gr and Hrima magazine, under the auspices of the Greek Ministry of Tourism.

## Athens to Get Ibis Styles



AccorHotels and G. Lymperakis Invest have signed a franchising agreement for the launch of the first Ibis Styles hotel in Athens, which is expected to open its doors to the public in June 2019. Requiring an €8 million investment, the 4-star Ibis Style Athens Routes will occupy a 5,800 sq.m. bioclimatic building at the beginning of Vouliagmenis Avenue near the Agios Ioannis metro station.

Within walking distance of the Acropolis Museum, the hotel will boast modern design, a conference room, gym,

indoor parking and a rooftop bar with views of the Acropolis, Lycabettus Hill, and the Argosaronic Gulf. The move demonstrates AccorHotels' interest in further developing a presence in the Greek capital and is set to make a positive impact on the city's hospitality profile.

## DELTA FOODS CONTINUES ITS GAIA ACTION PLAN SCHOLARSHIPS TO AFS



For the third year running, Delta Foods is moving forward with its scholarship program, providing 25 young livestock farmers from northern Greece the opportunity to follow a livestock unit management training program at the School of Professional Education of the American Farm School in Thessaloniki. Twenty of the scholarships were awarded to applicants from the region of Florina who would otherwise have been unable to attend the program due to distance, and the other five to applicants from Thessaloniki. The scholarships have allowed a total of 39 young livestock farmers to complete this training program at the American Farm School over the past two years.

Delta Foods provides these scholarships as part of its Gaia Action Plan, which it has implemented since 2012 with the aim of supporting sustainable development in the primary sector and livestock farming in particular. Through the training programs, the company helps young farmers in its supply network to increase productivity while reducing production costs and improving conditions for the livestock, ultimately delivering higher quality products.

## SNFCC Attracts Record Number of Visitors

One of the Greek capital's premier cultural venues, the Stavros Niarchos Foundation Cultural Center (SNFCC) is fast becoming a world-class hub for culture and art. Popular with Greeks—and international visitors—of all ages, the SNFCC attracted a record-breaking 5.3 million visits in 2018, an impressive 76% increase on 2017 and far above initial estimates of 700,000 visitors per year. With its considerable range of facilities and events, the award-winning venue has become one of the capital's favorite destinations for culture, recreation, sports, and learning. Completed in 2016 and gifted to the Greek state in 2017, the SNFCC is located in the Faliro area of the Athens Riviera, with the complex also housing the National Library of Greece and the Greek National Opera.

## Papastratos to Offer Workers €1M in PMI Shares



Greek tobacco giant Papastratos has announced that it will offer Philip Morris International shares worth €1 million to its workers. In the announcement, which was made at the end of February this year, Papastratos said that it was awarding staff for their exceptional performance that contributed to the company's transition to producing IQOS

vaping products and the strong results that it achieved in 2018. Equal distribution of the shares among workers will result in each worker receiving shares worth in excess of €1,000. Board members will abstain from the process, adding their shares to those to be distributed among workers.

Founded in 1930, Papastratos began its collaboration with Philip Morris International in 1975 and was subsequently purchased by it in 2003.



## EU Moves to Ensure Safe and Clean Drinking Water

In a move to ensure safe and clean drinking water across the Union, the Council has adopted a position on the proposal to revise the drinking water directive. Updating the current water quality standards, which were determined over two decades ago, the new directive will set more stringent quality standards that drinking water must meet and will introduce new cost-effective and risk-based approaches to long-term monitoring of water quality. Additional provisions will address materials in contact with drinking water in order to minimize the risk of contamination and safeguard human health, as well as the issue of improving access to safe and clean drinking water across member states. Under the new directive, member states will also be responsible for ensuring that consumers can readily access information on the properties of their drinking water. Further inter-institutional negotiations are expected to take place during the Finnish Presidency of the European Union, which begins on July 1, 2019.

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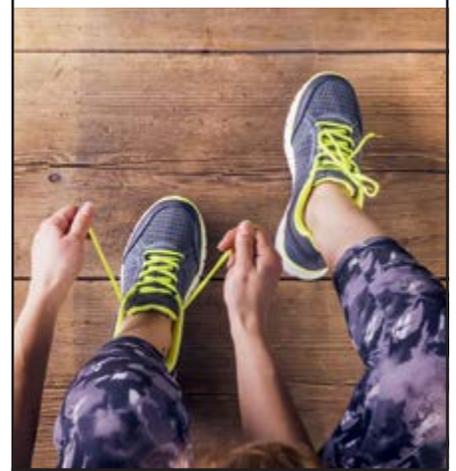
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# 5G

## It's Coming — But What Does That Mean?

While everyone's talking about the imminent arrival of 5G, the question on everybody's mind is *What is 5G, really? And what does it mean for me?*

In a nutshell, 5G is the latest generation of cellular mobile communications, the fifth generation cellular wireless technology. Succeeding 4G, the new technology aims at higher data rates (to move more data faster), reduced latency (to be more responsive), and massive device connectivity (for sensors and smart devices), as well as energy saving, cost reduction, and overall higher system capacity.

It's one of the most hyped technologies in the history of mobile communications, and it's been touted as the new cellular system that will transform our world—but as was the case with its predecessors, we won't be seeing the big changes straight away. While the initial standards for it were set as early as 2017, it could be 2022

before big 5G applications begin to appear. But when 5G arrives, it's going to be in a big way. Enhancing connectivity in the biggest leap forward in mobile tech so far, 5G will create an integrated infrastructure with the potential to connect all aspects of our daily lives and update the operation of key sectors of our economy, from energy and healthcare to retail and transport.

For individual end users, the new systems will mean they can do everything faster and more efficiently: Gamers will experience less delay, home users will have access to films in mere seconds, and video calls will be glitch free. But on a larger scale, increased data rates and reduced latency translate into myriad applications that will enable technological breakthroughs across the board. And with licenses for the new 5G radio frequencies coming with hefty



price tags, businesses will have to get creative in order to monetize on the new technology. As 5G is introduced and established over the coming years, the groundwork will be laid for more interesting applications to

be developed in the future, ranging from automated seaports to industrial robots, smart bandages that can track healing, and virtual reality physical therapy, and of course, driverless vehicles, which will be better able to read live maps, get traffic information and communicate with each other, meaning they'll be able to operate with increased efficiency and safety.

While it's still early to say what exactly the brave new 5G world will look like, we can expect the first big wave of change within the next few years as industry bosses and tech developers figure out just how much this new technology can accomplish.

## AVIT – Plant-based Goodness!

Serving excellent coffee and delicious food in a characteristically casual and relaxed environment, this unassuming café in the coastal district of Glyfada is quickly becoming one of the capital's favorite plant-based restaurants. Everything is made fresh from scratch, and the menu—breakfast, brunch, lunch and dinner—changes depending on what's in season. The café is best known for its showstopper burger, served on a homemade brioche bun with a side of fresh-cut fries and truffle mayo, and its delightfully colorful Buddha bowls, packed with fresh ingredients and superfoods. Make sure to try the specialty coffee and their range of delectable truffles and cakes, including sugar-free and gluten-free options.

The best part? It's all healthy and guilt-free! In addition to offering a fully plant-based menu that's prepared on the premises from fresh ingredients, Avit also works to minimize its environmental impact through responsible supply and zero waste friendly practices.



### AVIT

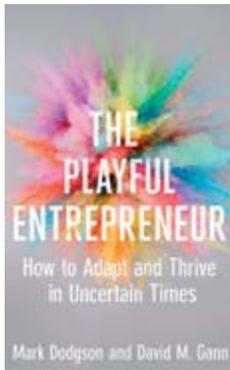
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**THE BUSINESS  
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## The Playful Entrepreneur

**HOW TO ADAPT AND THRIVE  
IN UNCERTAIN TIMES**

BY MARK DODGSON AND DAVID M. GANN, YALE UNIVERSITY PRESS



Mark Dodgson and David M. Gann deliver a compelling account of how incorporating play into work can help us overcome the uncertainty and turbulence that surrounds work. The solution to overcoming this uncertainty, the authors posit in *The Playful Entrepreneur: How to Adapt and Thrive in Uncertain Times*, is to learn from the adaptive behaviors of entrepreneurs. Play, they explain, is a crucial component of this. It encourages exploration, experimentation, and curiosity, while it also challenges established practices and orthodoxies. It facilitates change in people and organizations.

Drawing on in-depth interviews with entrepreneurs and innovators, this book explains why we should incorporate play into work, what play looks like, and how to encourage playfulness in individuals and organizations. Dodgson and Gann identify four key behaviors that endorse, encourage, and guide play—grace, craft, fortitude, and ambition—and provide a blueprint for an alternative way of working that fosters resilience and encourages innovation and growth in difficult times.

Mark Dodgson is professor of innovation studies at UQ Business School and visiting professor at Imperial College London. David M. Gann is professor of innovation and technology management at Imperial College Business School.

# Jargonaut

## BIKESHEDDING

The futile investment of time and energy in dealing with marginal technical issues, particularly when there are more serious issues that need to be dealt with

## BLACK HAT

To seek to exploit weaknesses for gain—unsavory methods that are often slightly, if not completely illegal

## DROP DEAD DATE

A date by which something important must be done or finished; a deadline that must be met

## EVANGELIST

A fan, user or consumer who believes in a brand or product so passionately that they aggressively promote it to others

## HOCKEY STICK GROWTH

Growth that starts at a normal, even pace and then, once an inflection point is hit, takes off at an exponential rate; so named because the curve resembles a hockey stick

## JUMP THE SHARK

When something that has reached its peak and is now declining in quality and/or relevance makes an over-the-top effort to regain its past status

## LAND AND EXPAND

To start small and then go big; to first focus on getting one's foot in the door and then on retaining customers and expanding sales

## YAK SHAVING

The seemingly endless series of tedious tasks that must be done before productive work can begin

**TRAVELOGUE**

## NAFPLIO – GREECE'S FIRST CAPITAL



Arguably one of the most charming cities in Greece, Nafplio is situated on the north shores of the Argolic Gulf in the Peloponnese. Palamidi Castle towers magnificent over the city, whilst the Old Town of Nafplio, perfectly preserved and enchanting, sprawls around it all the way to the

seafront promenade. Perfect for a short break from Athens, Nafplio is also a great base for excursions further into the Peloponnese.

**What to see:** Wander through the Old Town, explore Palamidi Castle and Acronafplia, stroll along the promenade, take the boat to Bourtzi, walk through Syntagma Square and visit the Archaeological Museum of Nafplio. Don't forget to make the short trip to the ancient hilltop city of Mycenae—a renowned UNESCO World Heritage Site—just half an hour away. Other key sites such as Ancient Corinth and Epidaurus are also under an hour away.

**Where to stay:** Amalia Hotel Nafplio, Amphitryon Hotel Nafplio, Grand Bretagne Nafplio, Grand Sarai Nafplio, Klymeni Traditional Homes

**Where to eat:** Anoka, Karamanlis, Mediterraneo Wine and Deli, Menta, Mezedopoleio Pidalio, Savouras, Stavlos Thrakotaverna, Taverna Aiolos

# A Chamber's True Role

Chambers of commerce play a key role in shaping local, national and international business dynamics and represent the business community in their work relating to relevant policy and government regulations.

The first chamber of commerce was reportedly founded in Marseille, France in 1599. Another similar organization followed in its footsteps a good 65 years later in the region that was then known as the Spanish Netherlands, while the first and world's oldest English-speaking chambers of commerce, the Jersey Chamber and the New York City Chamber, were both founded in 1768. It is obvious that as the market grew in these regions, the necessity to form business networks, whose goal was to further the interests of businesses and advocate on their behalf, became apparent. Since then, the concept and role of a chamber of commerce has matured further. Today, all countries that engage in trade have in one form or another well-established local and bilateral chambers of commerce that function as voluntary associations of business firms belonging to

different trades and industries, and serve as spokesmen and representatives of the local business community. Chambers of commerce work with volunteers from the academic community, as well as member corporations and organizations, who serve on committees, task forces, and councils to develop and implement policy on major issues affecting business and strengthen the competitiveness of the local economy. As non-governmental institutions, chambers of commerce have no direct role in the writing and passage of laws and regulations that affect businesses. Nevertheless, they may lobby in an attempt to get laws passed that are favorable to businesses and citizens. This involvement in the policymaking process is indeed a fundamental part of the true role of a chamber of commerce.

Established in 1932, the American-Hellenic Chamber of Commerce is one of the largest and most active Amer-

ican chambers in Europe. It is a wholly autonomous, not-for-profit organization and receives no subsidy from any government body. With a corporate membership of some 1,000 companies operating in Greece, from which committee members are drawn representing a broad scope of the nation's ideological and political spectrum, AmCham covers every segment of the economy and includes business organizations of every size in every part of the country.

AmCham's well-developed committees meet regularly and actively participate in the policy process as they comprise experts in various subject areas, who bring to the table their know-how and credibility.

To name one example, the Taxation Committee of the American-Hellenic Chamber of Commerce has had the opportunity and the ability to develop policy positions by arriving at a consensus on important issues and bringing it forward to the policymakers. The committee's involvement in this process ensures that policymaking is a democratic endeavor and helps develop positions that benefit the entire business community, rather than any given narrow interest.

It is of paramount importance to the American-Hellenic Chamber of Commerce to continue serving the interests of the community with integrity, and this is a responsibility shared by the BoD, staff, committee chairs, and each committee member. 🇬🇷



— BY —  
**ALEXANDRA LOLI, PhD**  
Publisher

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# ΕΜΕΙΣ ΠΕΤΑΜΕ



Ως κορυφαίος ευρωπαϊκός όμιλος αεροπορικών εταιρειών, μέχρι τον Φεβρουάριο του 2019, καλωσορίσαμε 9 εκατομμύρια επιβάτες. Η στρατηγική μας στοχεύει στη συστηματική ανάπτυξη του Ομίλου, στην καινοτομία, στην ψηφιοποίηση, στην υιοθέτηση νέων τεχνολογιών και στη σωστή διαχείριση του κόστους. Ως εκ τούτου οι πολυάριθμες, κορυφαίες υπηρεσίες που προσφέρουμε στους επιβάτες μας ενισχύουν την εμπιστοσύνη τους στο Lufthansa Group.

# CELEBRATING 15 YEARS OF ATF

For the past 15 years, the Taxation Committee of the American-Hellenic Chamber of Commerce has been keeping a close eye on developments relating to taxation in our country and supports companies that operate in Greece—whether or not they are members of the Chamber—contributing through its activities to the improvement of tax policy and the establishment of a fair and equitable tax framework, which is critical to sustainable economic growth in the country.

Since 2004, as part of its efforts to make taxation a true tool and partner to business, the Chamber's Taxation Committee has been organizing annual forums, alongside luncheons for government and tax administration officials, publishing articles and papers, actively participating in studies and seminars with talks and various initiatives, keeping abreast of new tax laws, and working closely with the country's administration. The Committee's members are distinguished for their work in the field of taxation and for playing an active role in shaping tax policy and drawing up legislation. Indeed, Committee members have often been called upon to take public office.

The Committee's foremost tax-related event is its annual Tax Forum. Featuring keynote speakers from Greece and abroad and with attendees including the country's political leadership and numerous top business executives, distinguished entrepreneurs, and corporate consultants, the Tax Forum, both in Athens and Thessaloniki, has earned widespread recognition for its relevance and credibility in assessing and thoroughly analyzing tax policies. The Tax Forum's conclusions and recommendations, along with the Committee's tax administration luncheons, contribute significantly to shaping tax policy for fiscal sustainability and economic growth.

This special feature celebrates the Taxation Committee's 15-year anniversary and the exceptional contribution the Committee has made to matters of taxation since its establishment in 2004 under the astute and knowledgeable leadership of Chairman Mr. Stavros Kostas. Each session, each initiative, and each event has been an invaluable source of knowledge and a platform for the exchange of honest opinions, expertise and experience.

# 15<sup>TH</sup> ATF 2019: HOW AND WHY THIS IS AN ANNIVERSARY EVENT

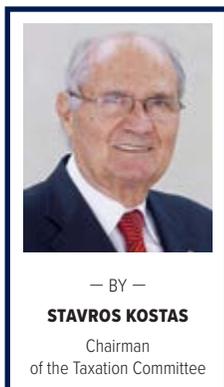
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The 15<sup>th</sup> Annual Tax Forum of the American-Hellenic Chamber of Commerce marks, in 2019, the peak of a long and important institutional presence at the epicenter of taxation events in our country.

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It marks the integration of an uninterrupted and successful 15-year-long path, a result of the promptness, inspiration and energy demonstrated by AmCham's Taxation Committee, a working group performing with the right reflexes vis-à-vis the challenges and considerable developments of the times around the country's public finances.

Without a doubt, the past decade has been the most critical part of this 15-year period, due to both the deep economic crisis that Greece went through and the consequences of the Country's obligations under the bailout packages, which were deemed necessary in order to stabilize the economy and lead it back to normalcy.



Yet the considerable challenges and related concerns, which were inevitably amplified during this critical period, did not disorient nor deter the Committee from its role as dictated in the letter and spirit of its statutory mission.

On the contrary, the dynamic workgroup's responses proved to be effective enough to keep the vision alive and allow the targeted actions to be realized, providing an additional opportunity for the qualities of the Committee Members to shine.

Historically, commencing from conventional analyses and proposals on matters related to improving long-standing deficiencies of our tax system and rationalizing tax audits, the Committee's work has progressed gradually and consistently to higher levels of institutional and operational interventions in the field of aligning tax policies with the generally accepted principles of good taxation governance.

And because, as it is well known, crisis can often be synonymous with opportunity, the bailout period paved the way to a stronger presence and increased activity, culminating in the participation of Committee Members in institutional working groups for the modernization of the Income Tax Code and the Tax Procedures Code.

Furthermore, the impartial, constructive, workable and as such useful for the Tax Administration proposals, as consolidated in the minutes of the Annual Tax Forums (Athens and Thessaloniki), have covered vital issues in taxation, such as:

1. Ineffectual overtaxation (direct and indirect taxation)
2. The role of tax incentives on growth and competitiveness
3. Protection of the tax base against tax evasion and tax avoidance

4. Rationalizing a legal framework for transfer pricing and APAs, in line with OECD guidelines
5. The advantages of applying IPSAS to public finances
6. Tax, regulatory and justice systems as favored by digital developments
7. Smooth and consistent adaptation of EU directives to the national legal framework
8. The need for quick and efficient administrative justice
9. Taxation measures favoring entrepreneurship and legal certainty

Furthermore, a communications channel of mutual fruitful cooperation with the Independent Authority for Public Revenue (IAPR) has been recognized and consolidated, to the interest of sound entrepreneurship and of the tax administration as well.

In light of the above, we can say with certainty that the Tax Forums of Athens and Thessaloniki (25 in total), which are the Committee's leading initiatives, along with the many other activities in the form of targeted interventions, have left a clear and positive footprint over the past 15 years, always in full consistency with the spirit and in full support of AmCham's strong collective voice.

From this perspective, we feel validated, because the Committee's synergies and voice have been recognized as action goodwill, based on collective effort, professionalism, accountability, volunteerism and the acknowledgment of each member's personal contribution. We also feel proud, because distinguished persons who have honored our Taxation Committee with their participation, such as Mr. George Mavraganis and Ms. Katerina Savvaidou, have risen to top political and administrative positions.

Today then, taking into the account all the above and considering the crucial landmark signaled by 2019, not only are we entitled but we are obliged in a sense, to look back to our 15-year-long journey, in prudent cel-

ebration as well as constructive critique, in order to refresh our memory and more importantly maintain it, as we move forward to the future.

Especially so as important challenges and developments, at both the national and global level lie ahead, demanding that we modernize and keep alive our vision, refresh our strength, and strategically capitalize on our experience so far.

For this reason, we are rightly claiming the 15th Tax Forum 2019 as an anniversary event, to acknowledge and reward the achievements accomplished so far. At the same time, we are taking the opportunity to address any past shortcomings and are looking forward to renewing expectations and methods of action for the coming period, which is expected to be critical and demanding for new ideas and new actions, necessary to ensure ongoing success.

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## **WE MUST STRESS THE NEED FOR SMART TAXATION POLICIES. IN OTHER WORDS, INTELLIGENT CHOICES THAT DO NOT DISRUPT THE ECONOMIC CYCLE.**

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All the above with a clear focus on consolidating the conviction that tax policies chosen must facilitate the unobstructed transition to entrepreneurship led by innovation and increasing domestic added value.

Taking advantage of a similar definition given by the IMF and in the true spirit of the 15<sup>th</sup> Tax Forum, we must stress the need for smart taxation policies. In other words, intelligent choices that do not disrupt the economic cycle, are friendly to economic growth, support inclusive and sustainable economic growth, are prudent in order to avoid high risk, and, more importantly, are backed by solid political will and ability to be implemented. With the above in mind, let us embrace the celebratory attitude of the 15<sup>th</sup>—anniversary—Tax Forum, and let's benefit from past precious experience.

Let us not forget that things are set to be tougher in the coming time and that without a new vision and renewed energy, the interventions of our Taxation Committee could prove to be more cumbersome and less effective.

Do we really want this to happen?

**LUFTHANSA GROUP**

# ATF 15 YEARS AND COUNTING

## ATHENS TAX FORUM: CONFERENCE TITLES

### STAGE 1

Conventional analyses and proposals on improving chronic deficiencies of the Greek tax system and streamlining tax audits

2004

VISION AND ACTION  
IN TAX REFORM

2005

TAX AND GROWTH REFORMS:  
SPRINGBOARDS FOR BOOSTING  
ENTREPRENEURSHIP AND  
COMPETITIVENESS

2006

THE ONGOING TAX CONCERNS  
OF CORPORATIONS IN THE FINAL  
RUN TO TAX REFORM

2007

INTELLIGENT TAX POLICY AND ITS  
COMPARATIVE ADVANTAGE



Y. GRAMATIDIS, A. BEZAS, S. KOSTAS

2008

TAX COMPETITION AND  
PROMOTED REFORM POLICIES  
IN THE TAXATION OF CROSS-  
BORDER TRANSACTIONS

## OUR GOALS IN THE LANDMARK YEAR 2019

- 15 years as a natural time period of integrated action
- Celebrate and recapitulate the Committee's successful journey
- Reward the Committee's successful work
- Examine and plot our course for the coming years
- Inform and raise awareness
- Preserve the memory
- Provide an opportunity for moral satisfaction for everyone who participated in the project
- Serve as a model for other committees and forums

**LUFTHANSA GROUP**

## ATHENS TAX FORUM: CONFERENCE TITLES

### STAGE 2

Progress and consistency, moving to higher level interventions of an institutional and operational nature, aiming to ensure the necessary compliance of tax policies with the basic principles of taxation



D. GEORGAKOPOULOS



K. SFAKAKIS, TH. KARAOGLOU, K. MICHALOS

## 2011

**TOWARD AN EFFECTIVE AND REASONABLE TAX SYSTEM: THE KEY FACTOR FOR GROWTH AND PROSPERITY**



A. MANOS, G. PAPA KONSTANTINOY, Y. GRAMATIDIS



L. CONDOYANNI, N. CHRISTODOULAKIS, K. SAVVAIDOU

## 2010

**TARGETED IMPROVEMENTS OF THE GREEK TAXATION ENVIRONMENT: ESSENTIAL MEASURES IN OVERCOMING THE ECONOMIC CRISIS**



D. SPINELLIS



Y. STOURNARAS



I. DIOTIS

# 2013

**A SMART TAX ADMINISTRATION,  
INTELLIGENTLY RESTRUCTURED—  
CENTRAL TO MEETING  
REQUIREMENTS OF THE NEW  
TAXATION SYSTEM**



G. MAVRAGANIS



H. THEOCHARIS



C. STAIKOURAS, Y. GRAMATIDIS, G. MAVRAGANIS



N. KARAVITIS



S. KOSTAS, G. LALIS



G. STATHAKIS

# 2014

**TAXATION  
AT THE TURNING POINT  
OF THE GREEK ECONOMY**

# 2012

**EXCESSIVE TAXATION AND  
TAX EVASION: OBSTACLES TO  
ECONOMIC DEVELOPMENT  
AND GROWTH**



S. ANASTASOPOULOS, G. SAMOTHRAKIS, H. KYRIAZIS,  
N. KARAVITIS, C. NIKOLAKOPOULOS, S. PARADIAS

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## ATHENS TAX FORUM: CONFERENCE TITLES

### STAGE 3

Targeted activity during the bailout period, culminating in the participation of Committee members in institutional workgroups for the modernization of the Income Tax Code and the Tax Procedures Code



I. GIALOURI



K. SAVVAIDOU

## 2016

**GOOD TAX GOVERNANCE:  
A TOOL FOR ECONOMIC GROWTH  
AND JOBS**



B. PAPANIMITRIOU, N. GOULIS,  
A. PANTELIADIS, A. SAVVAKIS

## 2015

**TAXATION VERSUS THE  
CONTEMPORARY DEMANDS  
OF THE POLITICAL,  
ECONOMIC AND SOCIAL  
ENVIRONMENT**



E. SAITIS



G. PITSILIS

# 2017

**THE TAX SYSTEM: GROWTH INCENTIVE OR COMPETITIVE DISADVANTAGE?**



S. KOSTAS, G. PITSILIS, S. ANASTASOPOULOS

# 2018

**TAX POLICIES AGAINST SHADOW ECONOMY**



P. CHATZINIKOLAOU, D. LIAKOS, C. HARPANTIDIS, K. KOLLIAS, S. ANASTASOPOULOS

# 2019

**TAX WORLD AHEAD: SMART TAX POLICIES FOR GROWTH AND COMPETITIVENESS**



Y. PERLEPES, K. BITSIOS, A. SAVVAKIS, S. LAZARIDIS



S. ANASTASOPOULOS



S. KOSTAS

**LUFTHANSA GROUP**



## A Letter from Former Deputy Finance Minister Dr. George S. Mavraganis

I was particularly pleased when, after some years, I was contacted by the American-Hellenic Chamber of Commerce's Taxation Committee on the occasion of its 15th anniversary. The Committee itself and its Chairman Stavros Kostas have contributed to a large extent to the debate on and the fostering of tax reforms as well as to the promotion of the Chamber.

I recall the years until 2012, when I was a member of the Committee, and our discussions on forming positions on the modernization of our tax system. I also recall with pleasure the cooperation with the Committee, as well as with some of its prominent members, during the period 2012-2015, when I served as Deputy Minister of Finance responsible for tax policy. Thanks to this collaboration, I had the honor to take the initiative and achieve the abolition of the Code for Books and Records and its replacement by the Greek Accounting Standards, the introduction of a new Income Tax Code and of the Fiscal Procedure Code, the introduction of e-transactions with the tax authority in order to facilitate citizens, and the introduction of modern methods to combat tax evasion and tax avoidance.

I wish that in the years to come, the Committee continues its hard work and contributes with its proposals to the application of a tax policy oriented to growth, which our country lacks.

DR. GEORGE S. MAVRAGANIS  
*Attorney at Law, MK legal Law Offices*  
*Former Deputy Finance Minister*



## A Letter from Former Secretary General for Public Revenue Prof. Katerina Savvaidou

It was with great pleasure that I was informed that the Taxation Committee of the American-Hellenic Chamber of Commerce will celebrate this year, its 15th year of operation, organizing, in appropriate anniversary mode, the 2019 Annual Athens Tax Forum.

Having had the unique chance to be a member of this dynamic committee before undertaking the post of Secretary General to the General Secretariat for Public Revenue, I have a clear view of the Committee's vision, composition and constructive intervention, both in respect of tax compliance principles on the side of taxpayers, as well as contributing to the institution of good and functional taxation policies.

In this respect, I believe that the contribution of this capable working group, under the worthy and charismatic chairmanship of Mr. Stavros Kostas, has left a positive footprint of excellent mutual cooperation with the tax administration, a fact that has contributed to the holistic efforts to modernize our tax system, both on a structural and functional level.

On the occasion of the 15th Athens Tax Forum's anniversary character, I would like to congratulate the members of the Taxation Committee, in due consideration of the Committee's continuous successful works, as a distinguished activity hub of the American-Hellenic Chamber of Commerce.

I also want to express my best wishes moving forward, along with my personal certainty that the Committee's prudent interventional role acts to the benefit of healthy entrepreneurship, of the tax administration, and of the tax system itself, which by definition is a foundation of the citizen-state relationship, always on the basis of the principles of responsibility and accountability.

**PROF. KATERINA SAVVAIDOU**

*Assistant Professor, Aristotle University of Thessaloniki*

*Jean Monnet Chair, EU Tax Policy and Administration*

*Former Secretary General for Public Revenue*



## A Message from Secretary General for Public Revenue Giorgos Pitsilis

**T**he American-Hellenic Chamber of Commerce's annual Athens Tax Forum is an important opportunity for the Independent Authority for Public Revenue to showcase its initiatives and the actions it takes to improve the standard of services it provides to taxpayers, both private individuals and businesses.

Through honest and open dialogue, key issues relating to taxation are examined by reputable speakers, and possible solutions are presented and discussed. I hope that the Athens Tax Forum continues to do this work, consistently and reliably, for many years to come.

**GIORGOS PITSILIS**  
*Secretary General,  
Independent Authority for Public Revenue*



# ΔΙΚΤΥΑ ΚΑΙ ΔΙΚΤΥΩΣΕΙΣ

Το ολοκληρωμένο δίκτυο προορισμών σε συνδυασμό με τους εξαιρετικά ευέλικτους συνδυασμούς ανταποκρίσεων -11.000 πτήσεις σε 310 προορισμούς παγκοσμίως- συμβάλλει στις επιχειρηματικές συνέργειες και τις οικονομικές δράσεις των τοπικών αγορών σε πλήθος γεωγραφικά σημεία στον παγκόσμιο χάρτη. Οι επιβάτες του Lufthansa Group αξιοποιούν τις δυνατότητες δικτύωσης που προσφέρουν οι γόνιμες συνεργασίες μας.

