Legal Snapshot

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Foreign Direct Investment Screening: Balancing cross border investment with critical national interests

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A Clearer Path for Foreign Investors

On 11 November 2025, Greece advanced its foreign direct investment (**"FDI"**) policy with the issuance of the Joint Ministerial Decision No. 64260/2025 (Government Gazette B' 6009/2025) (the **"Ministerial Decision"**). The Ministerial Decision defines the procedure, form, and key documentation required for screening applications under Law 5202/2025 (the **"FDI Law"**), aligning Greece with the EU framework on FDI control established by Regulation (EU) 2019/452.

Why This Matters

This reform intends to introduce a unified mechanism for assessing foreign investments, similar to established EU practices. It seeks to balance open market access with safeguards for national security and public interest.

Legal and Administrative Framework

The Ministerial Decision further specifies the application of Articles 7 and 8 of the FDI Law, which determines the domestic measures for the implementation of the EU Regulation on FDI screening into Greek law.

Submission Process in Brief

Applications may now be submitted to the Directorate B1 for Extroversion Planning and Coordination of the Ministry of Foreign Affairs (the **"Directorate B1"**), which acts as the central point of contact for investment screening. Documents issued abroad must be submitted upon meeting translation and authentication requirements to ensure validity under Greek law.

Foreign investors, whether individuals or legal entities, originating from non-EU countries, as well as EU-based entities that are directly or indirectly controlled by individuals, companies, or governments outside the European Union must file a structured application, both in printed and digital format, containing essential details about the investment, ownership, governance, and financial standing.

Within five (5) days from receiving the foreign investor's application, the Directorate B1 verifies whether the investment is covered by the provisions of FDI Law, reviews the application for completeness, and issues a protocol number to the applicant. Should any errors or omissions be identified, the Directorate B1 will require the investor to provide the necessary corrections or additional supporting documentation.

Key Takeaways

- A single process for foreign investment screening.
- Strict procedural and documentation standards.
- Stronger due diligence obligations.
- A strategic framework aiming to balance investment openness with national and EU-level safeguards.

Final Thoughts

The introduction of this framework represents a shift toward more mature investment governance supplementing the already existing advance regulatory checks and measures. By codifying a stable and fair process, Greece balances its position as an attractive destination for responsible and sustainable foreign investment while protecting key national interests.

However, it is important to note that transparency under the current framework is not absolute. Certain aspects remain under-defined, including the exact ratione materiae of the screening process, the existence of transitional provisions for existing foreign directs investments as well as the consistency of decision-making across cases, lthe extent to which the process is open to challenge, and how information circulates among stakeholders such as competing bidders, the broader market, and the public. Therefore, further clarification and operational refinement will be essential to achieving fully predictable and trust-enhancing investment oversight. Proper legal guidance is essential to ensure regulatory compliance as well as to avoid delays in regulatory approvals.

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