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Greece Fact Sheet

November 2022

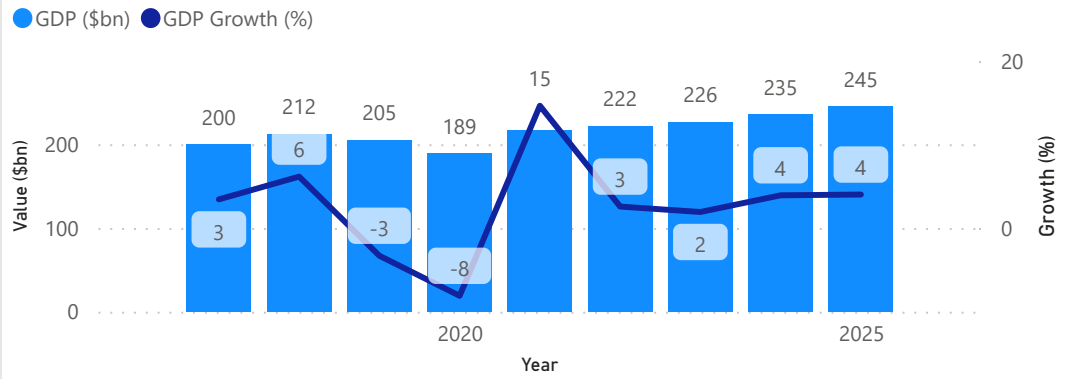
Cape Town and the Western Cape – A Leading Regional Economy

1) Economic Overview - Greece

In 2020, Greece suffered its worst economic contraction (-8.09%) in recent years due to the impact of the coronavirus pandemic. However, the implementation of stern economic recovery plans ensured that Greece's economy bounced back in 2021 - recording a growth rate of 14.68% to reach a total GDP value of \$216.38 billion, up from \$188.68 billion just a year prior.

Looking ahead, the Greek economic is expected to grow at an average annual rate of 3.14% between 2022 and 2025.

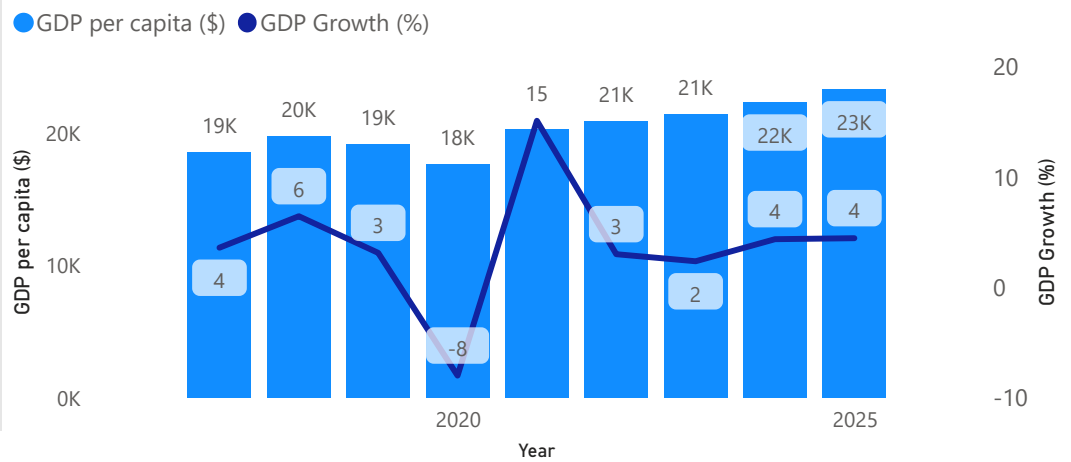
Figure 1: Greece GDP, 2017-2025f



Source: Euromonitor, 2022

As the Greek economy recovered from the adverse effects of Covid-19, GDP per capita spiked by 15.11%, reaching \$20,263 in 2021 - making Greece the 47th largest economy in GDP per capita terms. (Statistics times, 2022). This recovery was largely driven by disbursements of Greece's recovery and resilience plan, fiscal support to households and firms, and rising exports and investment, (OECD, 2022).

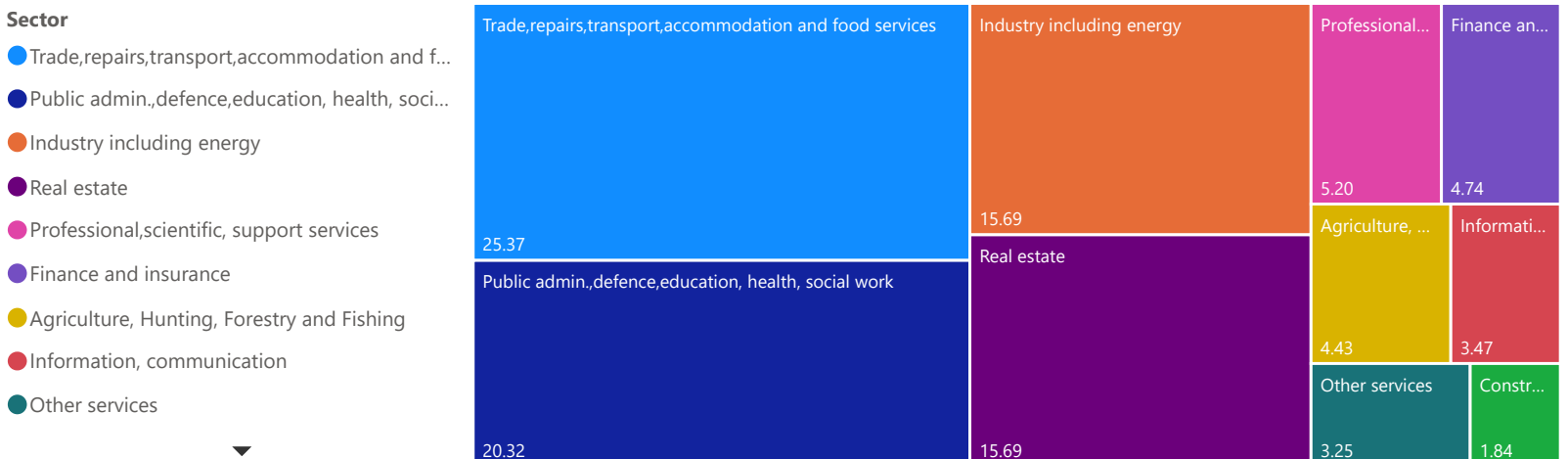
Figure 2: Greece GDP per capita, 2017-2025f



Source: Euromonitor, 2022

The Greek economy is largely driven by the services sector. In 2021, trade, repairs, transport, accommodation and food services accounted for 25.37% of GVA, followed by public administration, defence, education, health, community, social and personal services (20.32%).

Figure 3: Greece Sector Contribution to GVA (%), 2021



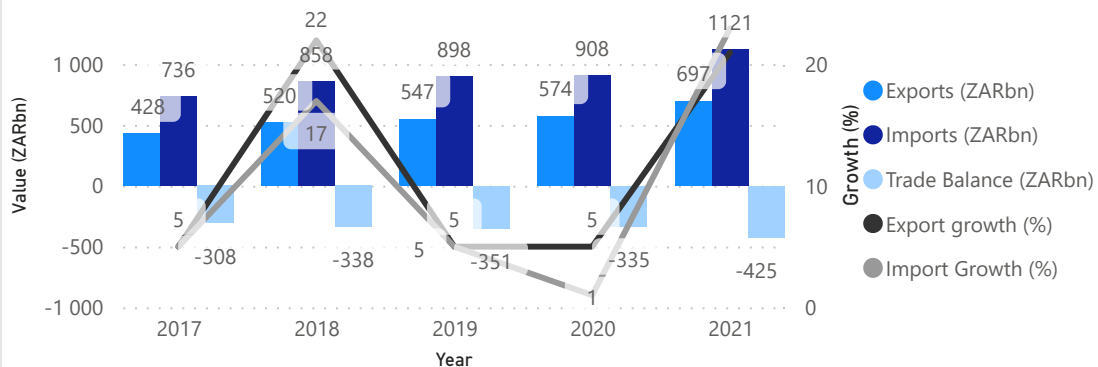
Source: Euromonitor, 2022

2) Trade

2.1) Greece's Global Merchandise Trade

Despite maintaining a trade deficit over the last five years, export receipts increased at an average annual growth rate of 13.27% from 2017 to 2021, from ZAR427.78bn in 2017 to ZAR696.70bn by 2021, while imports grew at a 5-year annual average rate of 11.48% from ZAR735.71bn in 2017 to ZAR1 121.44bn in 2021. More recently, following the robust recovery in global demand from the ailing Covid-19 pandemic, Greece exports increased by 21.48% in 2021, while imports went up by 23.48%, leading to a trade deficit of ZAR424.73bn.

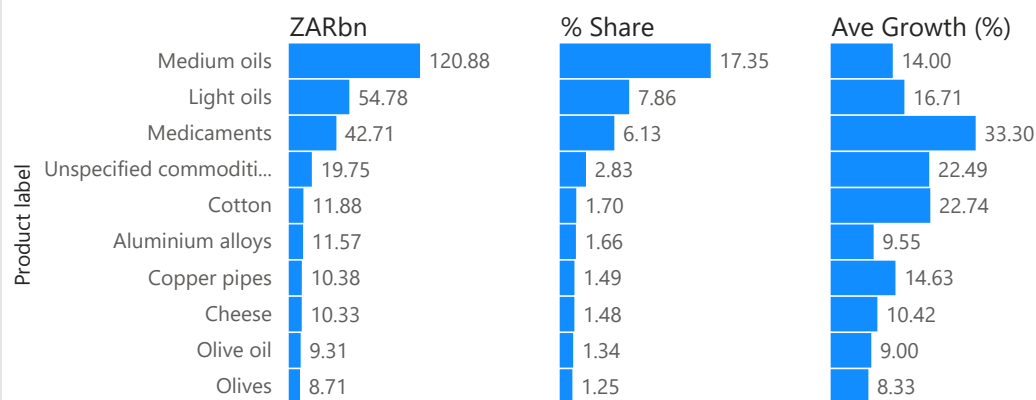
Figure 4: Greece Trade with Globe, 2017-2021



Source: Trademap, 2022

Medium oils and light oils accounted for 25.21% of Greece's exports in 2021, reaching an export value of ZAR120.88bn and ZAR54.78bn, respectively. Turkey, Italy, and Lebanon remained the country's top three largest importers of medium oils over the last five years. Light oils and medicaments (consisting of a mix of products for therapeutic uses) were Greece's second and third largest exported products, valued at ZAR54.78bn and ZAR42.71bn respectively.

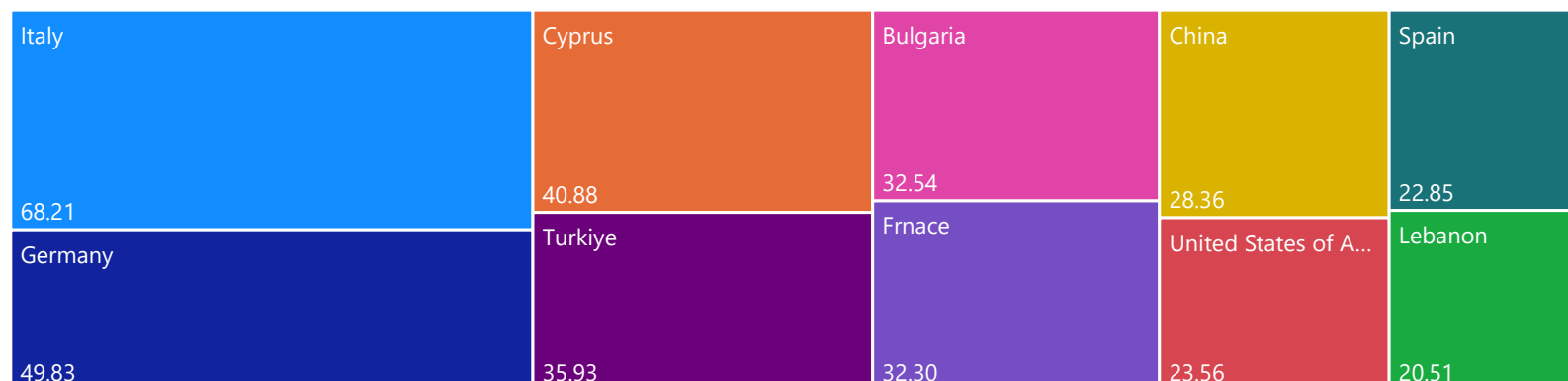
Figure 5: Greece Top Export Products, 2021: (Average Growth: 2017-2021)



Source: Trademap, 2022

Bilateral relations between Greece and Italy have remained strong for more than a decade and spans across a wide spectrum of political, cultural and trade relations. Such close ties, coupled with mutual cooperations in the fields of energy, security, culture, and tourism made Italy a strategic trading partner for Greece, ranking as its top export market at an export value of ZAR68.21bn in 2021. Medium oils and light oils were among the top Greek exports to Italy. Germany and Cyprus were the second and third largest export markets for Greece recording ZAR49.83bn and ZAR40.88bn respectively. The European union remains Greece's largest trading bloc as witnessed by eight of the top 10 destination markets for the country being European countries.

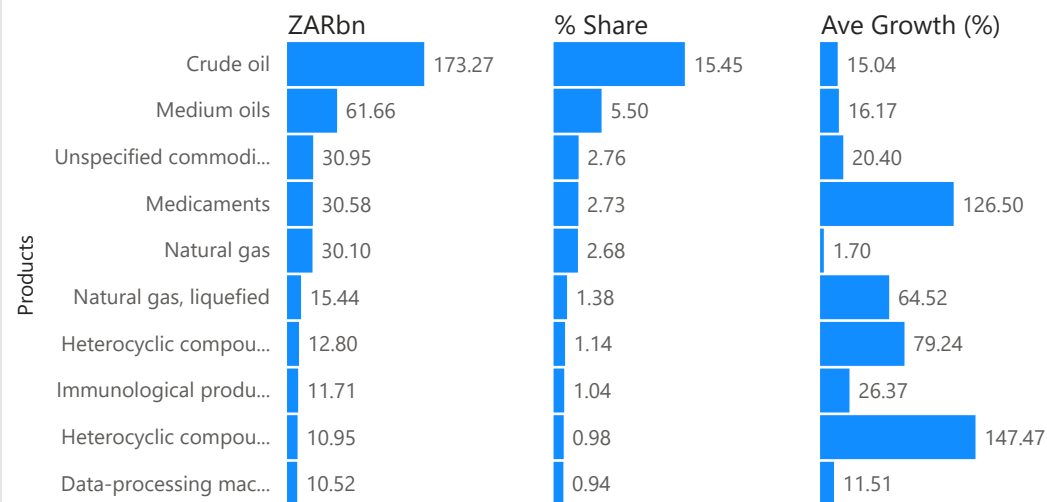
Figure 6: Greece Top Export Markets (ZARbn), 2021



Source: Trademap, 2022

A large proportion of Greece's imports in 2021 were crude petroleum oils ZAR173.27bn (15,45%), medium oils ZAR62.66bn (5.50%) and other unspecified commodities at ZAR30.95bn (2.76%). At a value of ZAR7.43m, Germany was Greece's top source market for Heterocyclic compounds with oxygen. Further, crude oil and natural gases remains the country's priority sectors when sourcing products externally. The highest growth in import products over the past years from 2017-2021 was witnessed in the import of Heterocyclic compounds with oxygen recording a 147.47%, 5-year growth over the said period. This was followed by Medicaments and Heterocyclic compounds with nitrogen hetero atoms at 126.50% and 79.24% respectively.

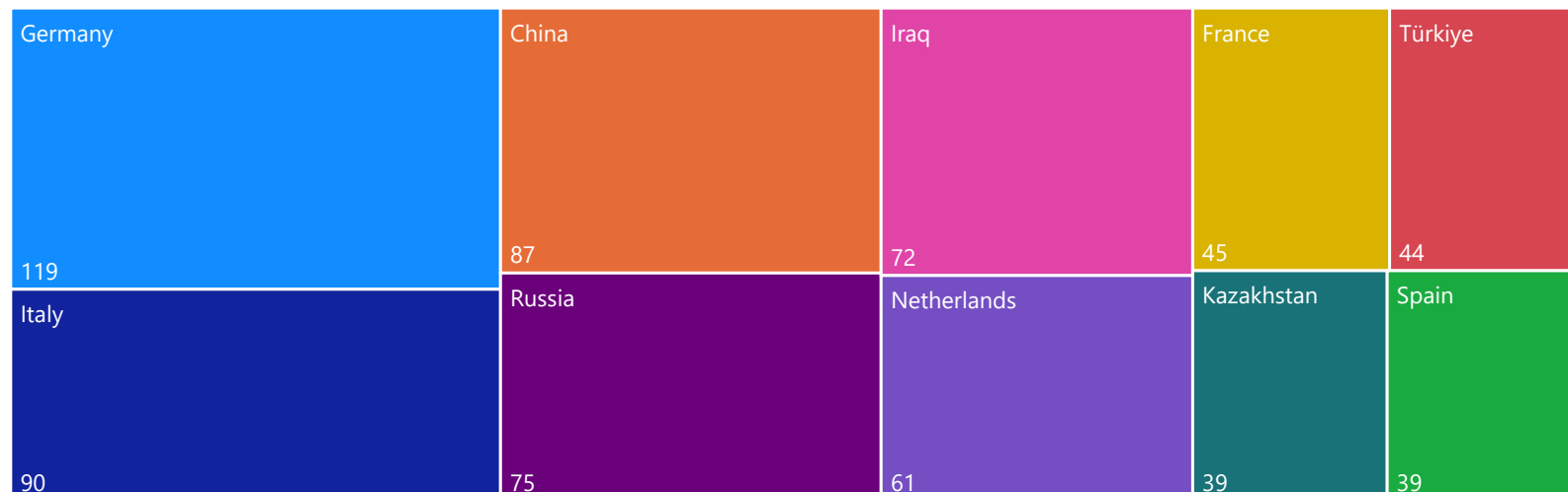
Figure 7: Greece Top Import Products, 2021: (Average growth: 2017-2021)



Source: Trademap, 2022

Germany, Italy, and China were Greece's top three suppliers of goods in 2021, collectively accounting for 26.45% of total imports. More particularly, Germany (with a 10.65% share), was its largest import partner, reaching a total import cost of ZAR119.42bn in 2021. The European region remains Greece's top source region, with nine of the top ten import markets located in Europe. Interestingly, China was the only non-European country featuring the Greek's top 10 source markets.

Figure 8: Greece Top Import Markets (ZARbn), 2021



Source: Trademap, 2022

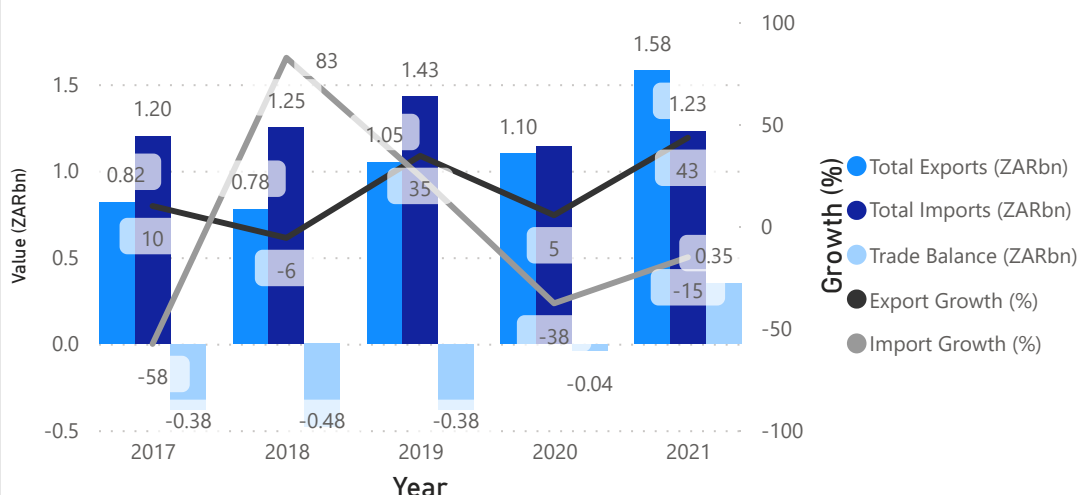
2.2) Trade Agreements and developments

Greece has been a member of the World Trade Organization (WTO) since 1 January 1995 and a member of GATT since 1 March 1950. The WTO is the only global international organization dealing with the rules of trade between nations. In addition, WTO's goal is to ensure that trade flows as smoothly, predictably, and freely as possible. Furthermore, the country is a member State of the European Union and negotiates free trade agreements with other countries within the EU, while benefiting from other pacts that exist between the EU and other regional blocks.

2.3) Bilateral Trade: South Africa and Greece

As can be seen in Figure 9, South Africa's exports to Greece fluctuated from ZAR0.82bn in 2017 to ZAR1.58bn in 2021. The country's export receipts increased by 43.40% in 2021, reaching a value of ZAR1.58bn from ZAR1.10bn attained in 2020. This makes Greece South Africa's 65th largest export market in 2021. Likewise, imports increased by 7.18% in 2021 (from ZAR1.14bn in 2020 to ZAR1.23bn in 2021), while Greece ranked as South Africa's 70th largest import market in this year. With this, South Africa's economy recorded a ZAR0.35bn trade surplus with Greece in 2021.

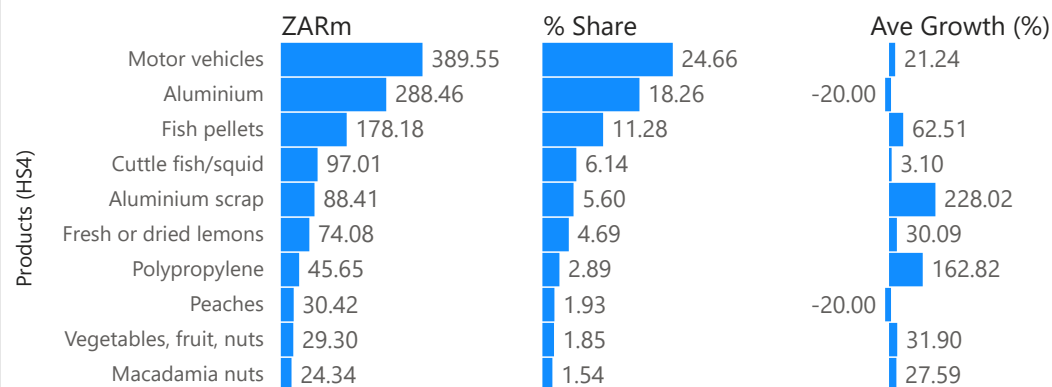
Figure 9: SA Trade with Greece, 2017-2021



Source: Quantec, 2022

South Africa's top exported product to Greece were Motor vehicles valued at ZAR389.55m. This was followed by aluminium and flours, meals, and pellets of fish at ZAR288.46m and ZAR178.18m respectively. Six of the top ten exported products to Greece were from the agribusiness sector. Interestingly, the highest growth in export products was recorded for the export of waste and scrap of aluminum, growing at 228.02% y-o-y over the 5-year period from 2017-2021. This was followed by polypropylene in primary forms, recording an estimated 162.82% y-o-y growth over the said period.

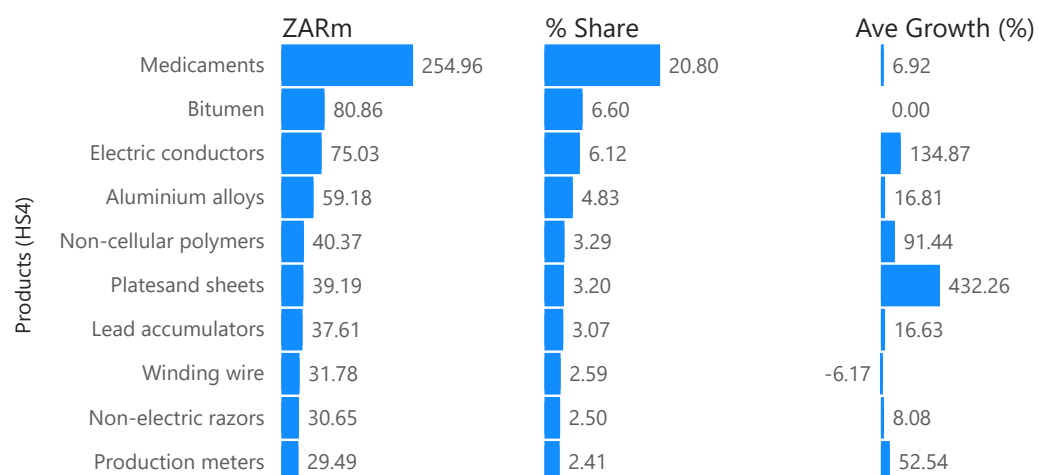
Figure 10: SA Top Exports to Greece, 2021: (Average Growth: 2017-2021)



Source: Quantec, 2022

Medicaments (ZAR254.96m) were South Africa's top imported product from Greece, followed by bitumen and asphalt (ZAR80.86m) and electric conductors (ZAR75.03m). Most of the top 10 products imported from Greece were from the manufacturing sector. Plates, sheets, film, foil, and strip, of plastics recorded robust growth, increasing at a rate of 432.26% per annum from 2017 to 2021.

Figure 11: SA Top Imports from Greece, 2021: (Average Growth: 2017-2021)

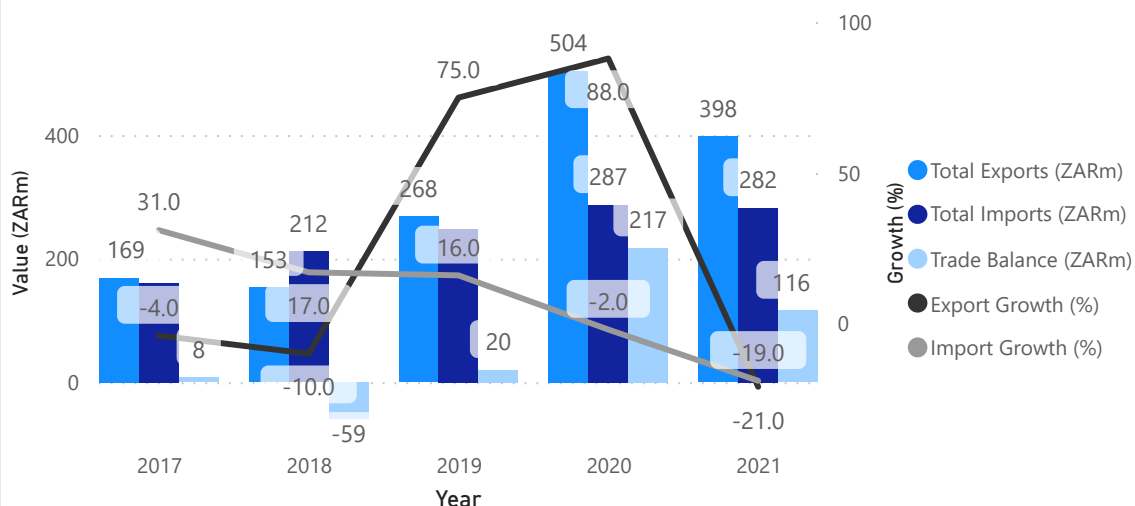


Source: Quantec, 2022

2.4) Bilateral Trade: Western Cape and Greece

Greece was the Western Cape's 56th largest export partner in 2021, with exports to the country growing at a robust average annual rate of 25.62% from 2017 to 2021. Despite the global economy recovering from the Covid-19 pandemic and global demand surging, exports to Greece peaked in 2020 (88%). The province's exports to Greece declined by 21.03% to ZAR397.65m in 2021. In contrast, Greece was the Western Cape's 66th largest import market in 2021, averaging a growth rate of 8.60% per annum from 2017 to 2021.

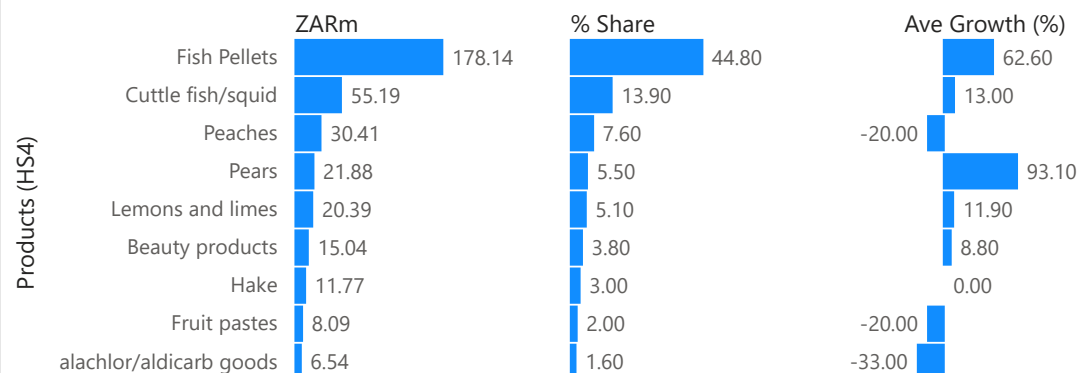
Figure 12: WC Trade with Greece, 2017-2021



Source: Quantec, 2022

The Western Cape's top three exported products to Greece accounted for 66.33% of its total exports to the European country in 2021. Interestingly, eight of the Western Cape's top ten exports to Greece were from the agribusiness sector. However, prepared, or preserved pears attained the highest growth, 93.10% over a 5-year period from 2017-2021.

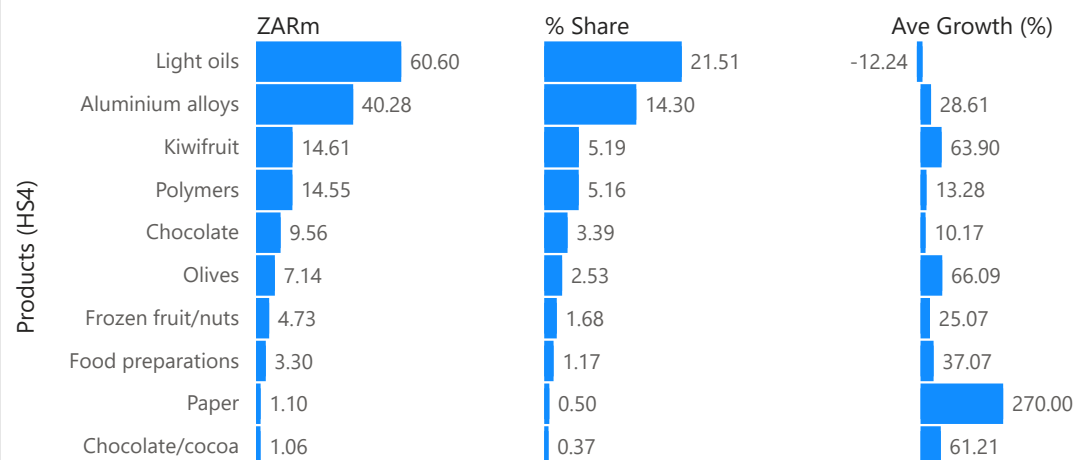
Figure 13: WC Top Exports to Greece, 2021: (Average Growth : 2017-2021)



Source: Quantec, 2022

Aluminum alloys were the Western Cape's largest imported product from Greece, reaching a value of ZAR40.28m and accounting for 14% of the province's total imports from Greece in 2021. Kiwi fruit and polymers of propylene rounded up the top three products imported from Greece in 2021. Paper and paperboards recorded the highest 5-year import growth, reaching triple digit growth of 270.07% from 2017 to 2021.

Figure 14: WC Top Imports from Greece, 2021: (Average Growth: 2017-2021)



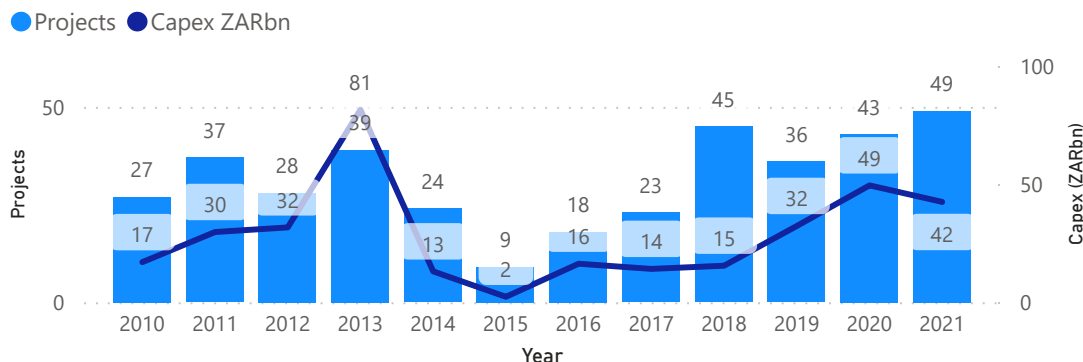
Source: Quantec, 2022

3) Foreign Direct Investment

3.1) FDI into Greece

Inward FDI projects into Greece from 27 projects in 2010 to an estimated 49 projects by the end of year 2021. Between these two periods, capital expenditure increased from ZAR16.97bn to ZAR42.44bn. Interestingly, over the past decade, the Greece recorded the largest value of inward FDI in 2020 at the height of the global covid-19 pandemic, with most of these investments landing in the financial services sector.

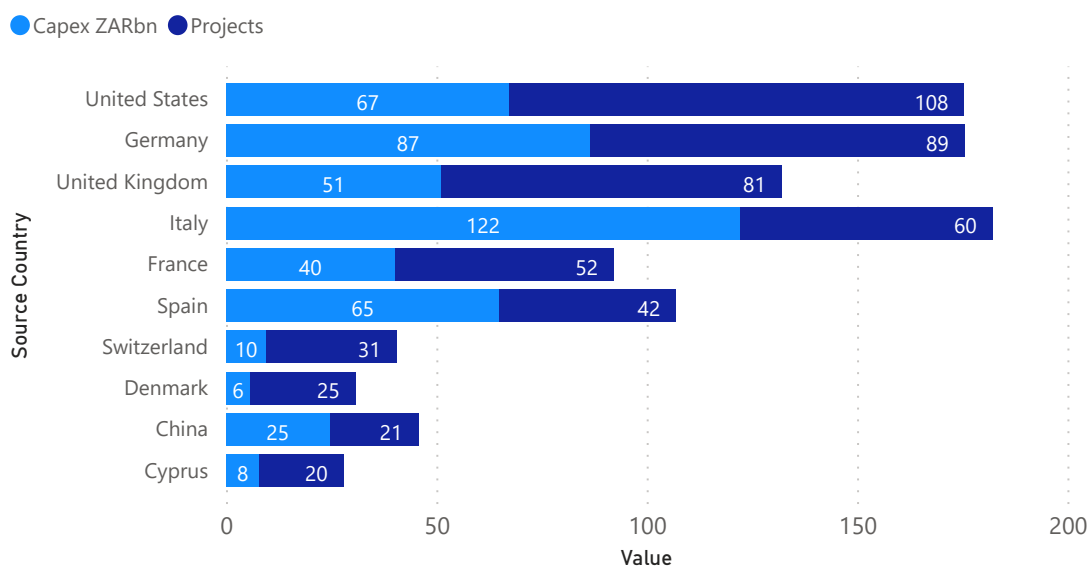
Figure 15: FDI into Greece, 2010-2021



Source: FDI Markets, 2022

In terms of the number of projects, the United States (US) was the leading foreign investor in Greece between 2010 and 2021. This was followed by Germany (89 projects) and the United Kingdom (81 projects) worth ZAR86.53bn and ZAR51.04bn respectively. The US and China were the only two countries outside of the EU that featured in the country's top ten source markets for FDI. In contrast, Italy was the leading source market for FDI into Greece (in capex terms), leading with ZAR122.21bn worth of capital investment. This was followed by Germany (ZAR86.53bn) and the United States (ZAR67.45bn).

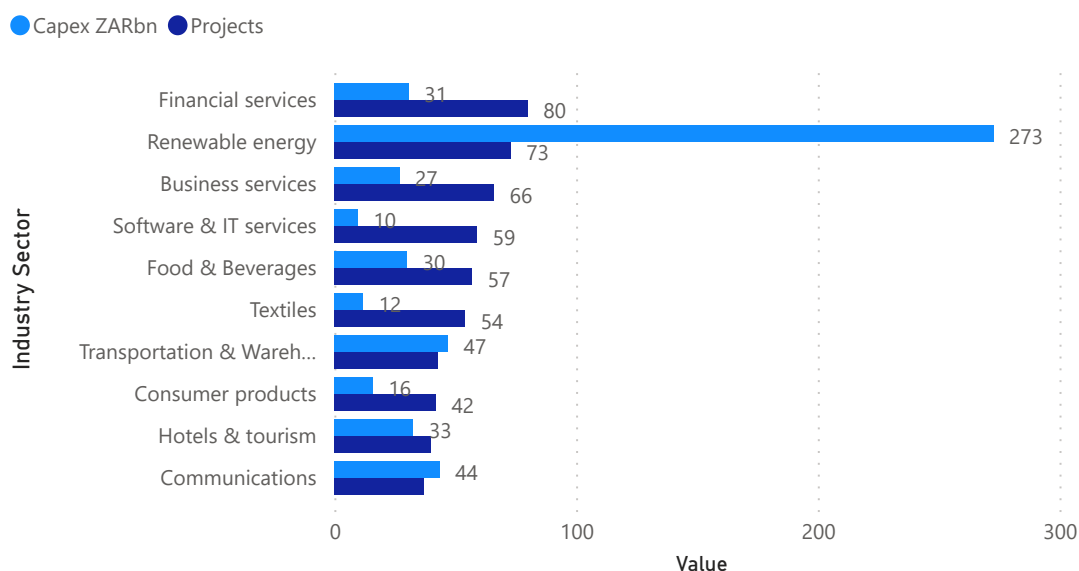
Figure 16: FDI into Greece by Source Markets, 2010-2021



Source: FDI Markets, 2022

With green energy playing an increasingly important role in Europe, most of the capex investments into Greece was destined for the renewable energy sector, which recorded 73 projects worth a total capex value of ZAR272.68bn from January 2010 to December 2021. This was followed by the transportation and warehousing sector (ZAR47.09bn in capex and 43 projects), and the communications sector, with ZAR43.57bn worth of capex and 37 projects. However, in terms of the number of projects, the financial services sector had the highest number of projects (80 projects), followed by the renewable energy sector (73 projects).

Figure 17: FDI into Greece by Sector, 2010-2021

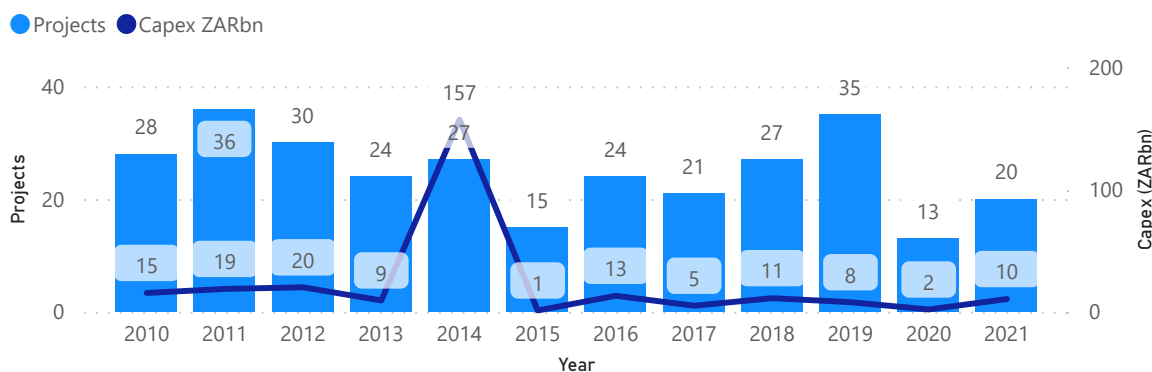


Source: FDI Markets, 2022

3.2) OFDI From Greece to the Globe

Outward FDI projects from Greece to the rest of the world fluctuated between 28 projects in 2010 and 20 projects in 2021. The country invested in 300 projects globally which reached a total capex of ZAR270.89bn and created 30,585 jobs worldwide.

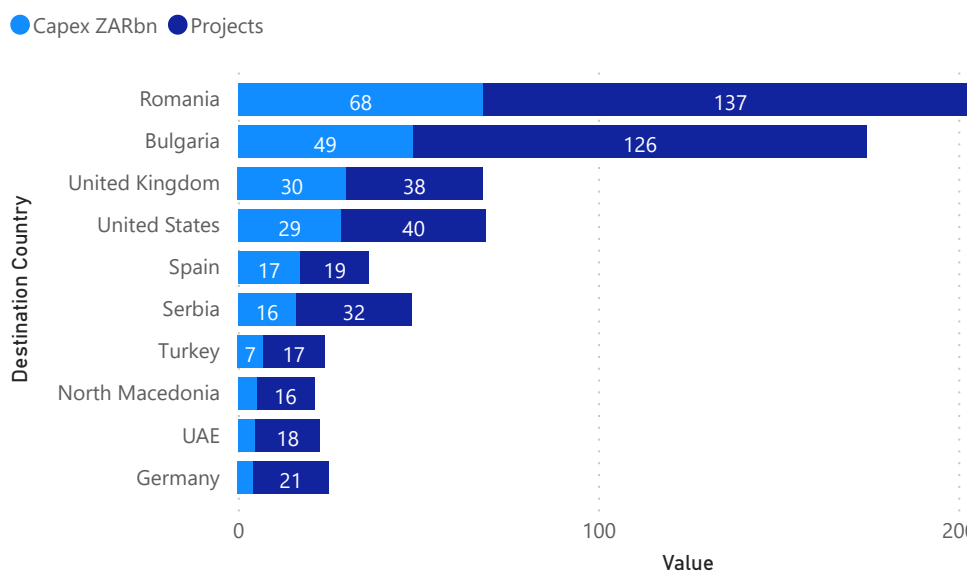
Figure 18: Trend in OFDI from Greece, 2010-2021



Source: FDI Markets, 2022

Romania was the leading destination market for OFDI from Greece in terms of both capex (ZAR68.24bn) and projects (137) over the period spanning 2010 to 2021. Majority of these projects fell within the European Union. Bulgaria and the United States were the second and third largest destination markets, with 126 and 40 projects worth ZAR48.70bn and ZAR28.81bn respectively.

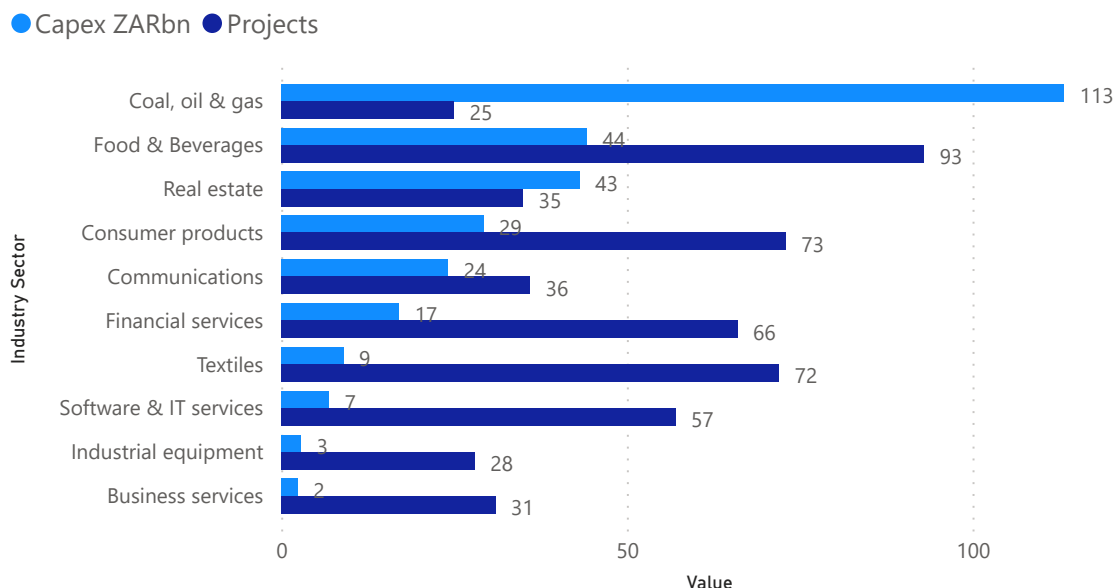
Figure 19: OFDI from Greece by Destination Market, 2010-2021



Source: FDI Markets, 2022

The food and beverages sector dominated OFDI from Greece. This sector reached a total cumulative capex of ZAR44.25bn over the period 2010 - 2021, albeit only registering 93 investment projects. Other top sectors attracting OFDI from Greece was the consumer products sector with a capex of ZAR29.25bn (73 projects), followed by the textiles sector with ZAR8.99bn (72 projects). The food and beverages (93 projects), consumer products (73 projects); and textiles (72 projects) ranked in the top three sectors attracting FDI projects from Greece and accounted for an estimated 46.12% of the total FDI projects from Greece to the world over the period under review.

Figure 20: OFDI from Greece by Top Sectors, 2010-2021



Source: FDI Markets, 2022

3.3) Bilateral FDI: Greece into South Africa

Over the last 12 years, there was one capital projects invested into South Africa from Greece, reaching a total capex of ZAR130.04m which created 34 jobs. The said FDI from Greece was from Aegean Maritime Petroleum Network investing in the renewable sector.

Source: FDI Markets, 2022

3.4) Bilateral FDI: South Africa into Greece

Over the period Jan 2010 to Dec 2021, Cockett Marine Oil invested 1 project worth ZAR81,30m in capex within the Coal, oil, and gas sector in Greece.

Source: FDI Markets, 2022

3.5) Bilateral FDI: FDI Flows between the Western Cape and Greece

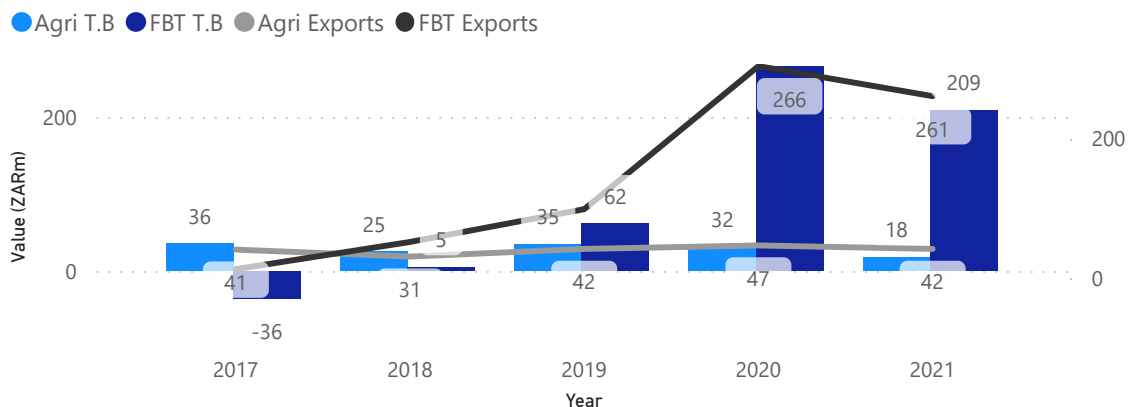
There were no FDI flows between Greece and the Western Cape over the period 2010 to 2021.

Source: FDI Markets, 2022

4) Western Cape Agribusiness Trade with Greece

As Figure 21 suggests that the Western Cape was a net exporter of primary agricultural products with Greece over the last five years, recording a trade surplus of ZAR17.57m in 2021. Looking at the Food, Beverages and Tobacco (FBT) industry, the Western Cape was a net exporter of the FBT to Greece, except for in 2017, which saw the province recording a ZAR35.36m in trade deficit.

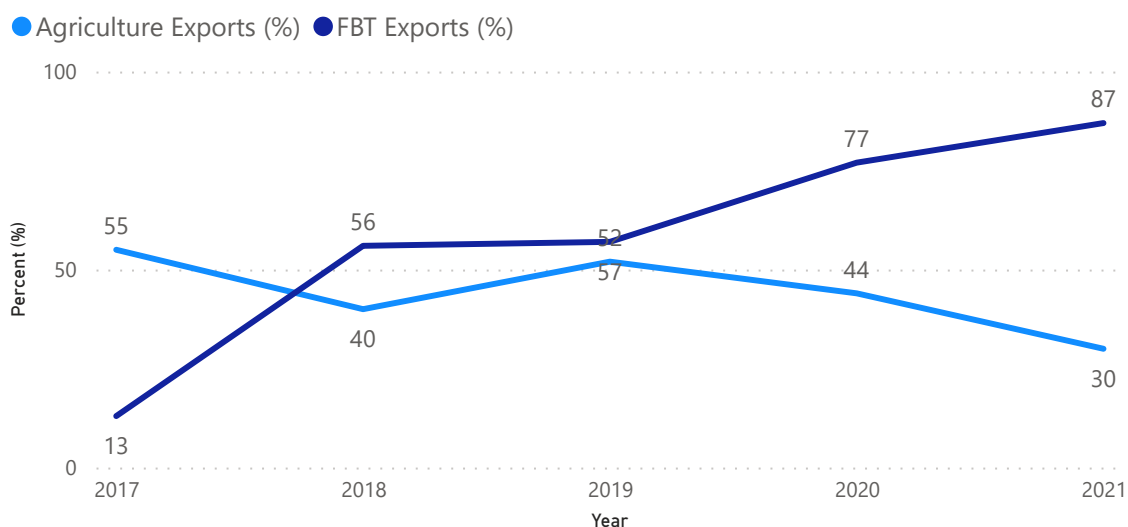
Figure 21: WC Agriculture and FBT Trade with Greece, 2017-2021



Source: Quantec, 2022

Figure 22 highlights the contribution made by the Western Cape province towards South Africa's exports of primary agriculture and FBT to Greece from 2017 to 2021. The Western Cape accounted for an average annual share of 44.20% of South Africa's primary agricultural exports and 58% of FBT exports to Greece between 2017 and 2021. Figure 27 shows that the province's contribution to the national exports of agricultural products to Greece varied between 55% in 2017 to 30% in 2021. This decline can be attributed to the covid-19 pandemic, low rainfall from climate change and other global economic factors.

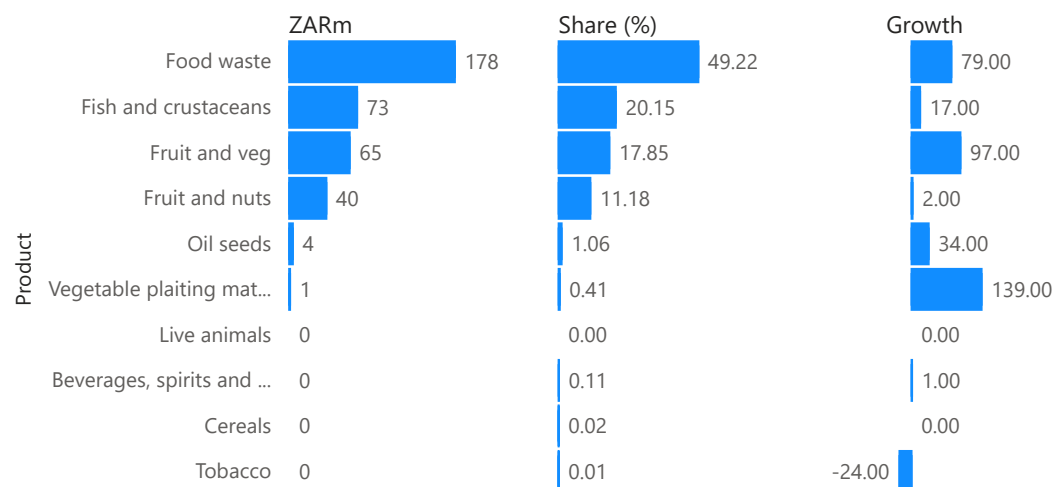
Figure 22: WC Share of National Agri and FBT exports to Greece, 2017-2021



Source: Quantec, 2022

Lastly, 87% of South Africa's FBT exports to Greece in 2021 originated from the Western Cape, the highest percentage share attained by the province over the 5-year period, 2017-2021.

Figure 23: Top Agri Exports from WC to Greece, 2021: (Average Growth: 2017-2021)



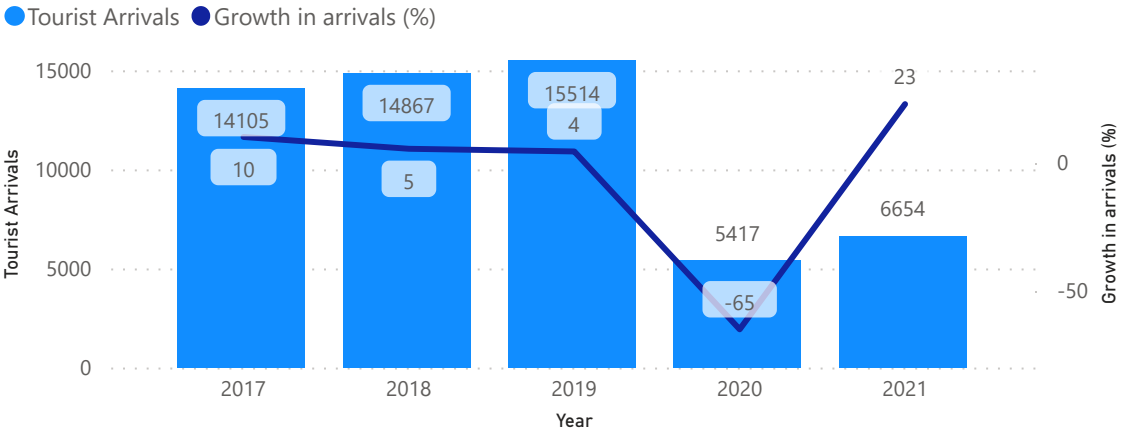
Source: Quantec, 2022

The export of residues and waste (ZAR178.14m), fish and crustaceans (ZAR72.93m) and preparations of vegetables (ZAR64.58m) were the top three agricultural exports from Western Cape to Greece, accounting for 87.04% of agri-based exports in 2021. Vegetable plaiting materials witnessed the highest 5-year average growth rate of 139.02% over the period, 2017-2021.

5) Tourism: South Africa and Western Cape Tourism Flows with Greece

In 2021, South Africa received close to 7,000 passenger arrivals from Greece, reflecting a 22.8% increase as compared to 2020.

Figure 24: Greek Tourist Arrivals to SA, 2017-2021

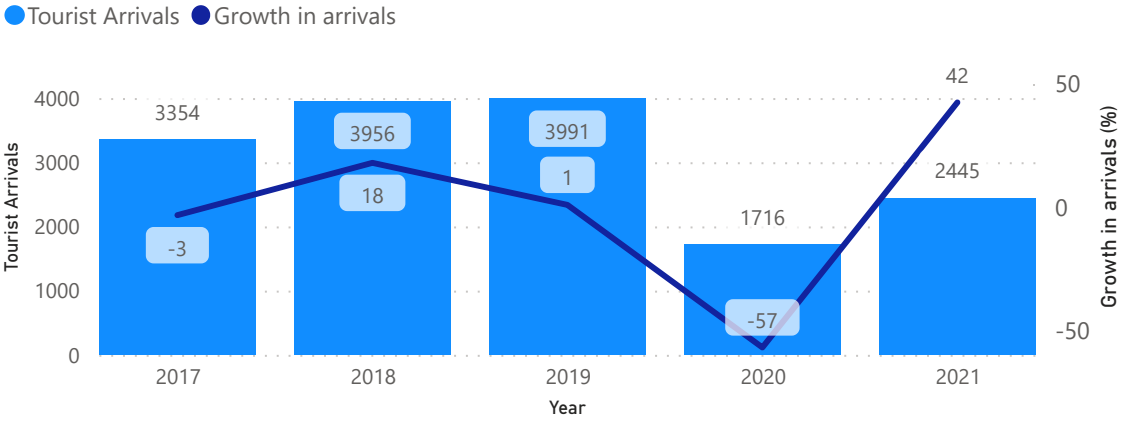


Source: OAG Air Traffic Analyzer, 2022

Pre-Covid 19, the highest volume of passenger arrivals from Greece to Cape Town (via air) were recorded in 2019 (3,991).

An increase of 42.5% was seen in Greece passenger arrivals to Cape Town in 2021. A growth reflective of the changes in travel post the Covid-19 pandemic.

Figure 25: Greek Tourist Arrivals to WC, 2017-2021



Source: OAG Air Traffic Analyzer, 2022

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