

The Energy Ministry's discussions with State Grid Corp of China (SGCC), a minority stakeholder in ADMIE, and the main interested party, Italian Terna, are currently on ice due to the coronavirus pandemic.

Greek Government has opened the way for the further privatization of electricity transmission system operator ADMIE through a legislative adjustment to the environmental framework, though the process itself will not start before this autumn.

In the meantime CEO of SGCC has been replaced and CEO of Terna should be replaced in near future. The management changes at the two companies are forcing the Ministry to start contacts and discussions from scratch, most likely in June, so that common ground can be found by autumn and the tender procedure could start. Belgian Elia has also expressed interest in acquiring stake in ADMIE, which had also been involved in negotiations for the Greece-Cyprus-Israel interconnection.

Through ADMIE's further privatization, the Government is eyeing the expansion of the share capital with the participation of a third party, a European operator, while satisfying the European Commission's demands for the containment of the strengthened rights State Grid has acquired in the grid operator, even though it controls just 24 % of ADMIE.

According to the agreement, the state might have the majority stake in ADMIE, but SGCC can block crucial decisions. The Chinese company also maintains the right of first offer in case the state decides to sell additional stake. SGCC has made clear its intention to exercise its preferential right by acquiring additional stake in order to block the entry of a third investor in ADMIE and thus risk losing its management rights. The Government stated its plan for the entry of a European operator in ADMIE, but it will not push hard as it is not willing to risk a rift with SGCC.