



Press Release

Lazaros Papagaryfallou at the Delphi Economic Forum XI: “The six pillars for developing the new production model”

The Deputy CEO of Alpha Bank presented the six pillars of the new production model and spoke about the pivotal role that banks play in this effort

During the panel discussion “Pillars of Transformation: Mapping the Next Era of Greek Economic Growth” of the Delphi Economic Forum XI, Alpha Bank’s Deputy CEO, Lazaros Papagaryfallou, highlighted the banks’ pivotal role in establishing a new, more open and sustainable production model for the Greek economy, as well as the structural changes that are needed in Greek entrepreneurship and in the country’s institutions.

To bring about this radical change of production model, it is not enough to simply improve a number of indicators; instead, *“banks need to take on an active role, as we find ourselves at a critical crossroads and the discussion about changing Greece’s production model is now more pressing than ever.*

The banks are not passive intermediaries. We are active architects of the production model,” said Mr. Papagaryfallou, adding that *“every financing decision that we make is a vote about what the Greek economy will look like in 2035.”*

He also remarked that the role of banks is becoming pivotal in shaping the new production model in the following four critical areas:

“Firstly, in deepening the capital markets union, as next-generation investments cannot be accommodated solely in the balance sheets of banks. Secondly, in the green transition, which for Greece represents a necessity as well as a strategic opportunity. Alpha Bank, in particular, has committed itself to allocating Euro 3.8 billion to sustainable financings in the 2025–2027 period. The third area is openness and European integration, with Greek businesses gaining access to European distribution, acquisition and capital markets networks—a prospect that is served by Alpha Bank’s strategic partnership with UniCredit. Fourthly, in the provision of banking advisory support to SMEs, aimed at enhancing the feasibility of their business plans and their potential for growth.”

Changing the business and management culture

However, in addition to the role played by the banks, structural changes must be made in the same direction, both in Greek entrepreneurship and in the country’s institutions. As the Deputy CEO of Alpha Bank said, *“regarding the Public Administration, the most important thing is to speed up the administration of justice, as the time taken to resolve a case in the Greek courts is among the longest in the EU and, as result, costs remain structurally high. So now that the economy is on a path of steady recovery, we cannot undermine our future growth by depriving investors of the certainty that a contract will be fulfilled within a reasonable timeframe.”*

He also underlined that the challenge today is not to enact new laws but to achieve speed and discipline in implementation. *“On paper, Greece has in place good laws on innovation incentives, the RRF framework and the roadmap for the reform of its justice system. What is lacking is speed and discipline in implementation. We are a country that legislates well and implements slowly. This must be reversed,”* he stressed.



4+1 key sectors for the next decade

As part of the process of redefining Greece's production model, the next decade is crucial and we must, according to Mr. Papagaryfallou, focus first and foremost on improving our institutions and the justice system. *"Everything—energy, innovation, the size of businesses and investments—depends on a predictable legislative and regulatory environment. Without such an environment in place, everything is built on sand,"* he said.

Moreover, he singled out four further sectors that need to be significantly improved in order to strengthen the country's investment profile: *"Firstly, in the energy sector, it is vital to upgrade transmission networks and energy storage infrastructure, so that we can become a regional exporter of 'clean' energy, attract investments and ensure competitive costs for energy-intensive industries. Secondly, the capital markets and, more specifically, the EU Savings and Investments Union, represent the greatest opportunity for mobilizing household savings and channeling them to long-term productive investments. For this to be successful, we will need to develop tools such as Pillar 2 for insurance companies together with securitizations, otherwise the opportunity can turn into a threat. Thirdly, in innovation, by streamlining the incentives already in place, by linking academic research with commercial applications and patents, and by expanding the use of technology and AI to boost productivity. Fourthly, we need to create larger enterprises, by means of proper incentives for mergers, targeted allocation of funds to finance sustainable business plans, upgrading of corporate governance and transparency regarding access to capital, and finally, by investing in human capital,"* said Alpha Bank's Deputy CEO.