

ENVIRONMENTAL LEGISLATION IN GREECE

10th annual review -Summary

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INTRODUCTION

Much has changed in Greece since 2005, when WWF Greece's first environmental law review was published. These times were marked by the post-Olympic era of false euphoria, the grandiose images and promises of a rapidly developing Greece, as well as sinking of expectations and potential during the economic crisis. The ten consecutive annual law reviews published by WWF Greece over the last decade, reflect these changes and the respective environmental developments.

The period covered by this year's report on the implementation of environmental legislation (July 2013 -June 2014), saw the culmination of a systematic process of dismantling Greece's already poor environmental *acquis*.

To a large extent, the environmental rollback analysed in the review is the result of Greece's commitments in the context of the austerity and structural adjustment programme supervised by the European Commission, the International Monetary Fund and the European Central Bank. To an equally large extent though, this loss of important environmental *acquis* is due to Government initiatives proposed by the heads of various ministries. It is indicative that certain policies introduced by the Ministry of Environment, Energy and Climate Change upon its establishment in 2009, were cancelled, betraying hopes for good environmental policymaking.

According to information presented in the review, the economic crisis is used as an excuse for the weakening of environmental legislation and policy. Armed with the policies and legal changes stipulated in the structural adjustment programme (hereinafter referred to as the "Programme"), many ministries have launched efforts to penetrate and alter the environmental legislation relating to their policy domains.

One of the most notable developments of this period was undoubtedly the destructive coastal bill that was announced by the Ministry of Finance in April. The mass mobilization and public reaction caused by this bill showed that the environment remains a priority for many citizens and that the crisis cannot be used as an excuse for the loss of natural capital. The collapse of the development model that ignores the environment has now become more evident than ever. The dialogue that never really happened regarding the development model that will sustainably lead the country out of the crisis is a sad reminder that Greece is wasting a "good crisis"...

The report "A living economy for Greece", which was presented in October 2013, is WWF Greece's own contribution to this national dialogue on development. The vision and proposal expressed therein addresses the problems identified by our annual environmental law reviews, showing that loss of our natural wealth will inevitably lead to a development impasse and a future deeper crisis: economic, social and ecological. The proposals pave the way to a development model based on Greece's natural capital, building a strong and sustainable economy for all.

This tenth annual review coincides with the tenth anniversary of our Legal Team, which is comprised of an enthusiastic and dedicated group of volunteer experts in law, environmental sciences and other relevant disciplines. Their genuine commitment to WWF's mission of stopping the degradation of our natural environment, and building a future in which humans live in harmony with nature has produced important results in strengthening civil society and on many occasions successfully addressing environmental threats.

KEY FINDINGS PER SECTOR

1. Public participation - access to information

In the fields of environmental information, participation and access to justice, there were limited, but troubling developments. With respect to environmental information, and despite the positive impact of the "Diavgeia" (Transparency) website, which offers access to administrative acts and opinions, many authorities with relevant responsibilities (such as the "National Cadastre & Mapping Agency") publish very little environmental information. Also, provisions for confidentiality continue to appear in Greek law, potentially undermining access to environmental information. Greece also sided with a group of EC countries against the European Parliament in a misguided, and eventually failed judicial attempt to prevent the disclosure of countries taking positions on reform of the EU's access to documents rules. However, a legislative attempt to limit the extent of administrative acts published in "Diavgeia" caused a public outcry and was thwarted. With respect to access to justice, the Greek Council of State's efforts to defend the right in the case of "legislative permits" are worth noting. Finally, despite the widespread appeal of some recent public consultations (such as the one concerning the recent draft law on the coastline access), many irregular practices continue to cripple public participation – such as the lack of adequate time-limits and clear rules, limited recognition of dissenting views, or the introduction of new legal provisions after public consultation.

2. Environmental impact assessment

According to the latest IMF country report for Greece, "simplifying" (environmental) "licensing" is a structural benchmark, to be achieved by end-2014. It is, therefore, hardly surprising that, during the reporting period, many ministerial decrees on this subject were issued.

Among them, the ministerial decrees prescribing the "standards" of environmental assessment are particularly worth mentioning. They introduce strict limitations on the content, methods and the geographical area of environmental assessment. As a result, when fully implemented, they will lead to perfunctory environmental assessments which are not science-based, ignore the underlying principles of the procedure (such as the principle of precaution) and undermine the right to environmental information and participation. Unfortunately, the standards for "appropriate assessment" of plans and projects affecting Natura 2000 sites have also been similarly undermined.

For the time being, environmental assessment in Greece is dominated by two other practices. The first is an across-the-board, temporal extension of all environmental permits in force, after a simplified request by the industry and a slipshod assessment. This provision further weakens the authorities' remit to supervise and enforce environmental permits, and delays technical adaptations (or closure) of many polluting activities. The second is potentially even more damaging: it consists of new, extraordinary legislation exempting certain activities from preliminary licensing requirements, and ensuring their continuous operation even without the necessary permits in force. Ignoring activities located in protected areas or subject to specific requirement (e.g., IPPC activities under the "Industrial emissions" directive), is a practice that became widespread in 2013-4.

3. Green Fund

The legal establishment and launch of operation of the Green Fund – a national environment fund – in 2010 was a long-awaited and indeed very positive environmental policy landmark. Following decades of scandalous lack of transparency in the management of revenues, taxes and penalties levied for environmental purposes, the Green Fund promised to open a new era of clear budgeting, allocation and reporting. At present, the Fund sits on approx. EUR 2.5 billion, collected and legally earmarked for improvement of urban environment conditions, nature conservation, forest management and energy efficiency. Given that the State Budget does not provide any other environmental funding (excluding wages and operation expenses for the environmental administration authorities), the Green Fund is the only national source of environmental funding.

Since 2013, when the Parliament voted a rather cryptic amendment to a law on pensions, the Green Fund can only approve spending that does not exceed 2.5% of its funds. The significance of this development is considerable since in effect it reduces Greece's already limited ability to finance environmental protection.

According to the financial budget of the Green Find for the year 2013, the total revenue received is EUR 305,237,598 and is distributed to the allocated to the following resource categories:

RESOURCE	REVENUE
1 ⁿ – Blue Fund	2,904,147.61
2 ⁿ – Special Forest Fund	15,589,294,00
3 ^η – Environmental legislation	8,429,769.74
4 ⁿ – Climate change and energy efficiency	1,500,095.65
5 ⁿ - Environmental balance (legislation on illegal semi-outdoor constructions)	18,568,318.38
6 ⁿ - Legislation on illegal buildings	221,532,723.89
7 ⁿ - Car parking revenues	1,067,298.15
8 ⁿ - Urban planning revenues	194,170.97
Interest on deposits - deductions	35,451,779.68
TOTAL	305,237,598.07

The reporting period may signal a change of course for the Green Fund away from funding exclusively green projects and plans. The ministerial approval of financial support for post-graduate university programmes on hydrocarbon research and mining is indicative of the political priority given to the promised oil and gas bonanza that will be extracted from the depths of Greek seas and will supposedly save the country from the crisis.

4. Spatial planning

The policy and legislation domain of spatial (and urban) planning and building regulations underwent serious attacks that undermine the progressive environmental steps that had occurred during recent years and its sustainability potential as a whole.

The most noteworthy developments during the period of this review are the following:

New spatial planning law: On the grounds that a new spatial planning law constitutes a commitment under the Economic Adjustment Programme, the Minister of Environment, Energy and Climate Change submitted to Parliament a bill that changes the entire spatial planning legislation and called for its urgent voting. The bill was voted as Law 4269/2014 "Spatial and urban planning" within an astonishing two days from its submission.

The spatial planning law:

- Lacks principles and objectives. A mere comparison with the previous and now cancelled spatial planning Law 2742/1999 marks a regression from the already meager acquis in spatial planning.
- Cancels the role of the National Council for Spatial Planning as one of the most important science-based advisory bodies.
- Allows for the covering of public and urban green spaces with new uses.
- Allows the case-specific overpassing of restrictive provisions in residential areas.
- Promotes tourism uses without planning, within all residential areas.
- Degrades the existing zoned settlements, through the introduction of disturbing activities.
- Introduces post hoc many intransparent amendments to planning acts, with ad hoc interventions.

• Allow for the abolition of protective provisions at the local level, by placing the investment plan approval process as priority, especially in cases of "strategic investments".

Tourism spatial plan: Decision 67659/12.12.2013 of the Coordination Committee of Spatial Planning Government Policy approves the new spatial plan for the development of tourism. Serious objections to the new plan were raised by the majority of the members of the National Spatial Planning Council, since it promotes the construction of large integrated resorts (LIRs) and new vacation agglomerations in the entire country, with particular emphasis on unspoilt landscapes and ecologically significant areas.

Without provision of any data on the real demand for new resorts, which cannot be covered through the renovation or reuse of the existing residential stock, the ministries of environment and tourism insisted that Greece needs to attract investments for the construction of LIRs. As many members of the Council stated, the flooding of other EU markets with thousands of new resorts, condo hotels or tourist villages has resulted in financial collapse and irreversible loss of natural landscapes and ecosystems. The case of Spain and the potential for Greece's plans to fall into the same trap of uncontrolled and massive development of new resorts and vacation home agglomerations attracted much attention.

One of the most characteristic features of the new spatial plan is the emphasis on the development of LIRs on islands with an area larger than 30 hectares, many of which are ecologically significant and have been designated as Natura 2000 sites. In addition, it does not include any indicators for the monitoring of the ecological footprint that will result from its implementation through the years. Finally it fails to emphasise the need for renovation and reuse of the country's abundant built up stock.

WWF Greece and many other environmental organisations and local authorities submitted to the Council of State an appeal for annulment of the new spatial plan. WWF Greece's appeal is based on the grounds that the spatial plan violates articles 6 par. 3 of the Habitats Directive 92/43/EEC, on the need for appropriate assessment of plans and projects occurring in Natura 2000 sites, and article 3 par. 2 of the Strategic Environmental Assessment Directive 2001/42/EC. It also violates national biodiversity conservation legislation, since it allows for the construction of large integrated resorts within Natura 2000 islands, stipulating their area as only condition.

Master plan for the greater Athens area: The bill approving the Athens-Attica Master Plan was submitted to Parliament in May 2014 and was voted as Law 4277/2014 in July.

The new law includes significant provisions for the conservation of significant small wetland and mountainous ecosystems, as well as the promotion of mass transport and rail.

The new structural plan for Greece's largest metropolis fails however to control urban sprawl and to promote a compact and polycentric city model. For example, the area of Megara and other parts of the region of Attica are mentioned as areas for urban expansion. It also promotes the construction of large tourism resorts, despite the fact that the greater Athens area already hosts a large number of such facilities. Finally, the new law approves the construction of a new stadium in Nea Philadelphia for a football team, by declassifying an urban forest from protection status.

5. Environmental inspections

Being the main body for the organisation of inspections in order to monitor the compliance with environmental legality and combat environmental crime, the Hellenic Environmental Inspectorate enjoys a special place in WWF Greece's annual law reviews.

During the present reporting period, the Inspectorate was particularly hard hit by the Government's decision to abolish the Special Secretariat for the Environment and Energy Inspectorate and the demotion of the Inspectorate to the level of a general directorate under the Minister of Environment, Energy and Climate Change. WWF Greece has since 2008 been calling for the establishment of an independent authority, under the leadership of a person selected by and accountable to the Hellenic Parliament.

Milestones in the operation of the Hellenic Environmental Inspectorate during the reporting period were:

• The undertaking of 82 inspections, between July – December 2013.

- The imposition in July 2014 of financial penalties totaling EUR 777,200 in 26 infringement cases; penalties totaling EUR 192,150 were imposed in 5 more cases in July June 2013 (out of a total of EUR 661,000 in 17 cases, which the Inspectorate proposed).
- Undermining of its work through tailor-made legal provisions benefiting specific illegal land uses or constructions.
- Further weakening, due to reductions in staff.

6. Air

Greece is notoriously lagging behind in policies for the monitoring and improvement of the quality of atmospheric air. According to the data made public by the Ministry of Environment, Energy and Climate Change, Greece regularly exceeds the target values set for PM_{10} and PM2.5. In these times of crisis, the high levels of atmospheric pollution become even more pronounced: in winter 2013-2014 the maximum thresholds for particulate matter concentrations were repeatedly exceeded due to the increased use of fuel wood for heating. This air pollution crisis is a clear sign of the growing energy poverty of Greek households.

The status of implementation of the legislation on atmospheric air can be summarised as follows:

- Increased urban particle pollution with concentrations of "coarse" particulate matter (PM) with diameter between 2.5 and 10 micrometers (PM10) and "fine" PM2.5. The problem is particularly intense in large cities.
- Non-publication of data on measurements of PM2.5 concentrations, as stipulated in articles 4 and 5 of Directive 2008/50/EC on the quality of air.
- Non-publication of daily pollution measurements during the weekends, which undermines the entire project of monitoring ceiling exceedance on a daily basis.

Despite the approval of a ministerial decision on the urgent measures that will be imposed by the respective Regional Directors upon exceedance of pollution thresholds, it needs to be noted that according to the Air Quality Directive the necessary measures need to have an *ex ante*, precautionary character. In case of exceedance of the air quality target values, the Directive states that air quality plans need to be developed for the affected zones. However, no such plans have yet been developed by the responsible authorities in any of the affected areas.

In response to the growing problem of air pollution during the winter, the Ministry of Environment, Energy and Climate Change approved a series of measures, which included the free access to electricity for low income households during the peak pollution days and reduced rates for all other household users. These measures however were announced too late, in mid-winter January 2014, when the major Greek cities were already suffering. Their effectiveness and status of implementation is not known.

7. Climate change & energy

Fossil fuels: Before Greece transposes into national legislation the new Directive 2013/30/EC on the safety of offshore drilling operations, three contracts between the Greek government and three consortia for the exploration and exploitation of hydrocarbons in the Gulf of Patras, Ioannina and Katakolo were signed on 14.05.2014 as part of the «open door» process. Moreover, the Ministry of Environment, Energy and Climate Change initiated a new process for the Ionian Sea and S. Crete.

Regarding the new lignite plant Ptolemaida V in Western Macedonia, PPC announced the signing of a bond loan by a consortium of foreign banks for the amount of $\mathfrak T$ 739 million on 23.09.2013. However, the remaining amount of approximately EUR 700 million necessary to construct the plant remains elusive.

Renewable Energy: During the reporting period, the Ministry of Environment, Energy and Climate Change continued its policy of restricting the penetration of RES, which started in 2012 and has led to a market-freeze ever since. Specifically, a new Law, known as "New Deal", was voted on 30.03.2014, aiming at eliminating the existing deficit of the special RES account¹. The new Law

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¹ The account from which RES producers are paid

reduces the Feed in Tariffs (FiT) for existing contracts and new installations for all renewable technologies, while also drastically cutting the amount of money owed to all RES producers for 2013. However, the law contains absolutely no measures to eliminate the distortions of the electricity market, which have been practically subsidizing fossil fuels throughout the years. These market distortions are largely responsible for the RES account deficit the new law is called to eliminate, as well as for the disproportionate burden the consumers have been contributing to the special RES account through the RES levy they pay in their electricity bills. Moreover, the burden sharing among renewable energy technologies, such as small hydro, wind and biomass was unjust and without adequate justification, while at the same time, specific large pv plants with a total capacity of 300 MW, that were previously included in the strategic investment Law 3894/2010, were excluded from the aforementioned FiT reductions until 2020. During the same period, the Ministry has unduly delayed to clarify the institutional framework for net metering using solar panels, and for the Special Programme aiming at the development of small wind turbines.

Electricity Prices: There were significant increases in the electricity prices for domestic consumers, while several measures reduced the electricity bill for energy intensive industries in the high and medium voltage. The cumulative percentage changes during the reporting period in the RES levy for the various consumer categories are shown the following table:

Table: Changes in RES	s iev	V %
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Category	% Change
High Voltage	-37,18%
Medium Voltage, consumption>13 GWh	-70,23%
Medium Voltage, consumption <13 GWh	+64,56%
Medium Voltage, farmers	+94,43%
Low Voltage Farmers	+75,77%
Low Voltage, Domestic Use	+175,97%
Low Voltage, Rest	+107,17%

Heating: For the second consecutive winter after equalizing the tax on heating oil with 80% of the corresponding tax on diesel, the heating-related issues the citizens faced and the resulting consequences on public health and the environment remained largely unresolved. WWF Greece posed a number of questions addressing both the Ministry of Environment, Energy and Climate Change and the Ministry of Health, regarding the effectiveness of measures to protect public health, the incomplete, opaque and incomprehensible system for measuring and publically disclosing air pollution data, the practical application of the reduced electricity charges during days of high air pollution, and the real economic benefits and incentives for the citizens, while also submitting concrete proposals to address air pollution and the provision of adequate heating for the citizens. At the same time, limited progress has been made towards efficient building insulation.

Privatisations in the energy sector: The first privatisation in the energy sector was that of the National Gas Transmission Operator S.A. (DESFA). On 21.12.2013, an agreement was signed between Hellenic Petroleum S.A., the Hellenic Republic Asset Development Fund and the Azerbaijan-based oil company SOCAR, to sell 66% of DESFA's shares for EUR 400 million. To complete the transaction, however, it is necessary to obtain the relevant approvals at the European level. Moreover, as the first step towards restructuring and privatizing PPC, the Greek Parliament voted Law 4237/2014, whereby 66% of PPC's shares of the Independent Power Transmission Operator (IPTO or ADMIE) S.A., are to be sold. Furthermore, after a heated debate on the impact of privatization on energy prices, the Greek Parliament voted the "small PPC" Law 4273/2014, which creates a new integrated power company consisting of 30% of PPC's assets and client basis. Aside of other differences, there seems to be widespread cross-party agreement on the lignite future of Greece. This was reflected in a last minute amendment that was approved by Parliament, which attempts to impose on potential buyers the requirement to actually construct the new lignite plant Meliti II in Florina, the economic viability of which is, at best, marginal². The same amendment also earmarks the money PPC will obtain from selling the new company for extending the life of existing lignite plants and for constructing new ones.

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² "Ptolemaida V and Meliti II: Economic viability report on the new lignite units", WWF Greece, 2013, http://www.wwf.gr/images/pdfs/Lignite_Study_WWFGreece.pdf

8. Water

During this period, the most important development as regards to Greece's water policy was the approval of the management plans of the river basin management plans (2000/60/EC) for the water basins of East, West and Central Macedonia, Epirus and Thrace. Another five plans were approved in the previous reporting period: Attica, Eastern Sterea and North, Eastern and Western Peloponnese. The plans for Western Sterea Ellada, Thessaly, Crete and Aegean Islands are pending.

The five plans approved during the reporting period present an alarming reality that is presented in the tables below. In brief, the Water Framework Directive cannot be implemented in the case of many water bodies, as their condition is reported in the plans as unknown: the chemical and ecological conditions of 58.9% and 25% respectively of the water bodies examined in the five plans are reported as "unknown". Hence, the definition of objectives and measures is impossible for these bodies.

Table: Chemical condition of surface water bodies

Water basin	Chemical condition (surface water bodies)			
	Good	Below "good status"	Unknown	
Eastern Macedonia	9	20	64	
Western Macedonia	50	17	83	
Epirus	62	1	23	
Thrace	4	38	152	
Central Macedonia	43	16	51	
Total	168	92	373	

Table: Ecological condition and potential of surface water bodies

Water basin	Ecologica	Ecological condition / potential of surface water bodies			
	High	Good	Moderate	Poor	Unknown
Eastern Macedonia	0	11	39	14	27
Western Macedonia	3	46	19	39	49
Epirus	3	66	9	2	12
Thrace	1	77	54	28	28
Central Macedonia	0	37	6	23	43
Total	7	237	127	106	159

The ecological condition of the remaining water bodies, almost half (48.85%) is reported as moderate or insufficient (poor or bad). The chemical condition of over 1/3 (35.38%) is reported as below good: these include parts of the rivers Gallikos, Loudias, Axios, Nestos and Aliakmon, but also protected lakes such as Koroneia, Kerkini, Doirani and Volvi. Toxic chemicals that have been detected include mercury, cadmium and the agrochemicals Endosulfan³ and Lindane⁴. These are

³ About Endosulfan as pollutant: i) Common Implementation Strategy for the Water Framework Directive, Priority Substance No. 14: α-Endosulfan & β-Endosulfan & Endosulfan sulphate [Environmental Quality Standards (EQS) Substance Data Sheet, Final Version, 15.1.2005]. Available from: Water Framework Directive (WFD) Communication and Information Resource Centre for Administrations, Businesses and Citizens (CIRCABC) http://bit.ly/1mJ4mVu. ii)European Commission, Identification of Priority Hazardous Substances: Review of 14 substances listed in Decision 2455/2001/EC to be evaluated in the framework of article 16(3) of Directive 2000/60/EC (Water Framework Directive) [COM (2006) 397 final, COM (2006) 398 final. iii) European Commission, EU Pesticides database http://ec.europa.eu/sanco_pesticides/public/?event=homepage iv) European Commission –

examples of priority and highly dangerous substances that require the planning of special programmes and measures, which have not yet been undertaken. In the case of the banned Endosulfan, one water management plan recorded its annual use. Apart from the priority substances, it is also worth noting the increased presence of arsenic, due to geological reasons and pollution, in certain underground water bodies of Central Macedonia.

The data on the condition of the water basins should have been re-examined and informed by December 2013, whereas the good ecological potential and good chemical status objectives (for surface waters) and good condition (for groundwater) will have to be achieved by December 2015. Until then, the picture that we are facing today is one of widespread degradation.

How is this situation dealt with in the context of the approved management plans? One of the options is the "exemptions" from the requirement to achieve the good status objectives of the Water Framework Directive. This option is apparently over-used on many occasions, on grounds that do not conform with the Directive's conditions for exemptions. It is worth noting that in the case of Eastern Macedonia, almost half of the water bodies are exempt. Worse, many of the exempt bodies are within Natura 2000 sites, yet the management plans fail to explain how the implementation of the Habitats Directive will be secured, especially in relation to the no-deterioration provision (art. 6, par. 2 of Directive 92/43/EEC) and how the compliance with the standards and objectives of protected areas will be achieved (art. 4, par. 1 of Directive 2000/60/EC).

Table: Exemptions of water bodies from the objectives of the Water Framework Directive

Water basin	Exemptions of water bodies from the objectives of 2000/60/EC			
	Exemptions/Total water bodies	% of total	Examples	
Eastern Macedonia	53/113	46.9%	Kerkini, parts of Strymonas, W. Kavala Gulf	
Western Macedonia	40/223	17.9%	Prespa, Aliakmon, Dike T66, groundwater systems in Ptolemaida, Amyntaio	
Epirus	15/106	14.2%	Arachthos and Acheron estuary, Pamvotida, parts of Aoos, parts of the Sea of Kerkyra	
Thrace	56/229	24.5%	Nestos, Ismarida, Keramoti Iagoon, Porto Lagos, Evros, Komsatos (surface and underground), northern coasts of Thasos channel	
Central Macedonia	26/158	16.5%	Volvi, Koroneia, Mavrolakkas, Gallikos, Loudias, Axios, underground water systems in Skouries-Chalkidiki.	
Total	190/829	22.9%		

Joint Research Center Institute of Health and Consumer Protection, European Database of Export and Import of Dangerous Chemicals (EDEXIM). http://edexim.jrc.it/

⁴ About Lindane as pollutant: i) Common Implementation Strategy for the Water Framework Directive, Priority Substance No. 18: Hexachlorocyclohexanes (incl. Lindane) [Environmental Quality Standards (EQS) Substance Data Sheet, Final Version, 31.7.2007]. Available from: Water Framework Directive (WFD) Communication and Information Resource Centre for Administrations, Businesses and Citizens (CIRCABC) https://circabc.europa.eu/sd/a/e7304cd5-1a9b-49a9-9a22-54bcc8e5510a/18_HCHs-combined_EQSdatasheet_310705.pdf ii) S. Sang et al. Lindane: A review of toxicity and Environmental Fate. WWF Canada: 1999. http://www.pops.int/documents/meetings/poprc/request/Comments_2006/wwf/WWF%20canada.pdf. iii) Stockholm Convention on Persistent Organic Pollutants Persistent Organic Pollutants Review Committee (POPRC), Draft Risk Management Evaluation for Lindane (2007, May). http://bit.ly/1twyDYI.

Table: Chemical and quantitative condition of water bodies

Water basin	Condition of t	Condition of underground water bodies			
	Total	Bad chemical/quantitative condition	Percentage		
Eastern Macedonia	15	3/0	20% / 0%		
Western Macedonia	55	3/12	5.5% / 21.8%		
Epirus	26	1/1	3.8% / 3.8%		
Thrace	18	4/0	22.2% / 0%		
Central Macedonia	34	8/6	23.5% / 17.6%		
Total	148	19/19	12.8% / 12.8%		

It needs to be noted that there is considerable delay in the implementation of the Water Framework Directive, that has already led the European Court of Justice to rule against Greece (case 297/11), for not having completed the plans on time, i.e. until December 2009.

Historic ruling on the diversion of the Acheloos River

In its decision 24/2014, the Plenary of the Council of State recaps twenty-five years of planning for an ecological, social and financial crime: the diversion plan is not the result of integrated planning, since the amount of water to be transferred keeps changing, cultivation patterns in Thessaly have also changed, whereas it has not been proven that the benefits from the plan outweigh the resulting damage to water ecosystems and prospects for sustainable agricultural development.

According to the decision of the supreme court, the diversion plan violates the European Union's directives on water (2000/60), habitats and species (92/43), environmental impact assessment (85/337) and birds (79/409). Ultimately, the plan violates the principle of sustainable development, which is enshrined in the Treaty of the EU and the Constitution of the Hellenic Republic.

9. Waste

Greece being a notorious laggard in the implementation of EU law on waste management, all national policies are no more than a cumbersome effort to avoid financial penalties by the European Court of Justice and catch up with technologies, experience and achievements that are decades old.

During the reporting period, the most noteworthy developments were:

- The continued political struggle against the illegal landfilling of waste in 69 registered uncontrolled waste disposal sites. Since the beginning of 2013, 94 sites have been restored, restoration works for another 89 have been commissioned, whereas the restoration of 202 sites is pending.
- The European Commission referred Greece to the European Court Justice for violation of EU legislation on solid waste. This was the second referral of case C-502/03 regarding the problem of illegal landfilling of waste. In this second referral, the Commission proposes the imposition of a daily financial penalty of 71,193 euros for each day after the second Court ruling, until Greece complies with the judgment, and a lump sum calculated of EUR 7,786 per day for the period between the first judgment and the day of compliance or the day of the second ruling.
- Upon proposal by the Hellenic Environmental Inspectorate, financial penalties of EUR 403,750 were imposed on 13 cases of illegal landfilling of waste. In some of these sites, medical waste and dead animals were also disposed of.
- The slow progress in the construction of waste processing facilities of a total cost of EUR 2.2 billion. A common characteristic in all of these procedures is the lack of transparency regarding the selected technologies and the minimum quantities, which the municipalities commit to deliver.

As regards the management of wastewater, the European Commission referred Greece back to the European Court of Justice for non-conformity with the 2007 ruling for violation of Directive 91/271/EEC on the treatment of urban wastewater. The case concerns the fact that "six agglomerations of more than 15,000 p.e. of the total of 23 which are covered by the judgment of 25 October 2007 (including five in the region of eastern Attica, which is one of the most densely populated in Greece) do not comply with articles 3 and 4 of Directive 91/271/EEC. The population residing in those six agglomerations is 124,000 (16,000 in Lefkimmi, 25,000 in Nea Makri, 17,000 in Markopoulo, 20,000 in Koropi, 18,000 in Rafina and 28,000 in Artemida)".5 In this case, the Commission proposes a financial penalty of EUR 47, 462.40 for each day of delay in complying with the initial judgment and a fixed daily sum of EUR 5,191.20 per day from the date of delivery of the judgment in the new case until the day of compliance. The reason for delay in constructing the necessary wastewater treatment facilities in these six cities is the absence of consensus at the local administration level.

It needs however to be mentioned that the seventh European Commission report on the implementation of the Urban Waste Water Treatment Directive⁶ notes that Greece has indeed made significant progress towards the full implementation of 91/271/EEC.

10. Nature & biodiversity

Since the outbreak of the economic crisis, Greece's natural environment is treated like an expendable resource and subject to pressing policies for over-exploitation. At the same time, nature conservation legislation and the precautionary principle are constantly undermined on the grounds that they pose obstacles to "quick and dirty" economic development. Recent legislative initiatives, however, such as the forest and coastal bills, resulted in massive public outcry, proving that safeguarding our natural heritage continues to rank high in people's concerns.

Nature conservation law is undermined in various ways: through changes in local legislation, in order to allow specific investment plans; by overpassing supreme court case law through ad hoc amendments included in bills of irrelevant content; by delaying or ignoring the obligations for implementation of specific laws and policies; by undermining the potential and capacity of the environmental public administration to meet the objectives of the main environmental legal corpus; by directly attacking and cancelling important laws and policies.

National Biodiversity Strategy: An important development during the reporting period was the approval by the Minister of Environment, Energy and Climate Change of the National Biodiversity Strategy, following a 15-year delay. It needs however to be noted that although the 2011 Biodiversity Law stipulated that the strategy should be signed by the entire Ministerial Council, a recent legislative amendment undermined the process to a mere approval by the responsible Minister of Environment, thus stripping this important strategic document of its interministerial and horizontal policy character.

The action plan of the Strategy does not include timetables and specific responsibilities; hence, it remains a document of good intentions but limited operational value.

Restructuring of the Environment Ministry: The presidential decree approving the new organogramme of the Ministry of Environment, Energy and Climate Change was issued under the mandate for reduction of administrative units. The new structure creates problems for both nature and forest management and mapping, as well as environmental inspections.

One of the problems is the detachment of the responsibility for "protected area management plans" from the new Biodiversity and Protected Areas Directorate. Another major issue is the detachment of the responsibility for forest mapping from the new Forestry and Natural Environment General Secretariat. The assignment of both of these important responsibilities to the Spatial Planning General Directorate creates concerns about the development outlook and the objectives of the forest maps and the protected area management plans.

⁵ Official Journal of the European Union. Action brought on 7 April 2014 — European Commission v Hellenic Republic (Case C-167/14) http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:C:2014:261:FULL#C 2014261EN.01001202.doc

European Commission. (2013, August 7). Seventh report on the implementation of the Urban Waste Water Treatment Directive (91/271/EEC). SWD(2013) 298 final. Brussels. COM (2013) 574 final. Retrieved from: http://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0574:FIN:EN:PDF

Ministry of Environment, Energy and Climate Change. (2014). National Biodiversity Strategy & action plan.

http://ypeka.gr/LinkClick.aspx?fileticket=QNYFnyz9Q6w%3d&tabid=367&language=el-GR

Protected areas: In the summer of 2013, the public entities responsible for the management of Greece's protected areas ("management bodies") were on the verge of collapse. Major problems undermining their operation were the inability of the Environment Ministry to approve and disburse earmarked funds, as well as the approval of a plan for the haphazard abolition or merging of different management bodies.

During the reporting period, the Minister of Environment submitted to Parliament an amendment that extends the operation of the management bodies until the end of 2015, thus allowing for mature re-examination of a framework for their enhanced operation. The extension also allows for improved absorption of earmarked funds from the National Strategic Reference Framework 2007-2013 (Environment Operational Programme).

In the same period, the Ministry of Environment launched a consultation process and organised a series of working groups, with the aim of developing a new framework for the operation of the National Protected Areas System.

As regards the designation of new protected areas, positive developments were scant. On the other hand, the negative examples of undermining or circumventing specific regulations in national parks, Natura 2000 sites and wildlife refuges, in order to allow for the siting of major construction investments were abundant.

Pressures on protected habitats abound. In August 2014 (outside the span of the reporting period of this review) the Ministry of Environment declassified part of the Natura 2000 site of Korinos lagoon (part of the protected area "Alykes Kitrous") from the "wildlife refuge" protection status, in order to allow for a major housing construction plan. The European Commission sent to the Greek authorities a letter of concern⁸ on the case.

One notorious case of undermining the conservation of important habitats for unsustainable development purposes is the referral of Greece by the European Commission to the European Court of Justice for allowing the construction of a holiday village in one of the most significant nesting habitats for the Loggerhead Sea Turtle Caretta caretta: the Natura 2000 area of Kyparissiakos Bay.

Illegal development in protected sea turtle habitat

Plans for the construction of close to 50 vacation villas in the Natura 2000 site of Kyparissiakos Bay, Western Peloponnese, following a "salami-slicing" approach are awaiting separate construction approval. Despite ranking as the second most important nesting beach in the Mediterranean, the Natura 2000 area is not protected under specific management and conservation measures. In December 2013, the General Inspector of Public Administration issued a report stating that the opening of five roads in the area, to facilitate the aforementioned development plans, is illegal, since they do not constitute part of a protection or legal urban planning regime for the area. The Inspector's report concludes that the delays in approving specific conservation measures for protected areas results in undermining the habitats themselves and the sustainable development prospects of the respective areas.9

Following the submission of a complaint for violation of the Habitats Directive 92/43/EEC, the Commission referred the case to the European Court of Justice.¹⁰ Moreover, representatives of the Bern Convention undertook an on-the-spot appraisal", whose observations will be included in the Draft Recommendation to be considered by the next Standing Committee.

In response to this crisis, the Ministry of Environment issued a decision of temporary suspension of issue of construction permits, construction works and commenced the process of developing a conservation framework for the area. Environmental NGOs are closely monitoring the case, since the conservation measures drafted by the Ministry apparently try to circumvent the provisions of the Habitats Directive, in order to allow for the construction plan.

release]. http://europa.eu/rapid/press-release_IP-14-324_en.htm

⁸ Kathimerini. (2014, 21 August). Brussels warns Greece over plans to allow construction near Korinos beach. http://www.ekathimerini.com/4dcgi/_w_articles_wsite1_1_21/08/2014_542281

General inspector of Public Administration. (2013, December). Inspection of legality of acts and activities relating to the case of the opening of roads and construction works in a Site of Community Significance in Kyparissia of Messinia, within the Natura 2000 ecological network. [Report by a joint inspection group].

10 European Commission. (2014, March 21). Commission takes Greece to court over failure to protect iconic species [press

Another notorious case of iconic species habitat degradation also concerns the Loggerhead Sea Turtle Caretta caretta: the National Marine Park of Zakynthos is host to an illegally operating waste landfill, whose effluents reach the sea.

European court rules against Greece for landfill in sea turtle marine park

Following a 2012 referral of the Hellenic Republic by the European Commission for allowing the operation of an illegal landfill in a globally significant sea turtle habitat, the European Court of Justice ruled that Greece violates articles 8, 9, 11(1)(a), 12 and 14 of Council Directive 1999/31/EC on the landfill of waste, and by renewing the landfill permit for the site in question without complying with the procedure that is laid down by Article 6(3) of Council Directive 92/43/EEC of on the conservation of natural habitats and of wild fauna and flora (C-600/12).

The case concerns the continued operation of a landfill in Zone Φ1 of the National Marine Park of Zakynthos, a globally significant nesting area for the sea turtle Caretta caretta. The landfill, located on Mount Skopos, has completed its life cycle since 2006, but the local authorities have not reached an agreement on the location of the new landfilling site, thus continuing the use of the existing one. It should be noted that the illegally operating landfill is located adjacent to the absolutely protected area of Sekania, the most significant nesting beach in the Mediterranean.¹¹

Measures for the protection of two areas were placed in public consultation: the estuaries of Axios, Loudias and Aliakmonas as National Park and the area of Karla-Mavrovouni as Regional Park. In addition, the Athens-Attica Master Plan (please refer to relevant section above) includes provisions for the legal protection of the mountainous areas of Ymittos, Penteli and Egaleo (extending to Reiton Lake).

Another positive development was the signing for fisheries restriction measures for the Natura 2000 site of Gyaros island.

Special conservation measures for Gyaros island

According to the Syros Port Regulation # 32, signed by the Shipping and Aegean Minister in December 2013, all types of fishing activities are prohibited in a zone extending 3 nautical miles around the Natura 2000 area NISOS GYAROS KAI THALASSIA ZONI GR4220033. This is the first no-take zone established in Greece in recent decades.

Gyaros is a unique island, combining exceptional ecological and historic significance: habitat of one of the largest populations of the Mediterranean monk seal *Monachus monachus* and rich fishing grounds, the now uninhabited island of Gyaros has for decades been an island of exile for political dissidents after the Greek civil war and during the seven-year military dictatorship.

WWF Greece is leading a LIFE+ programme for the conservation of this unique area, in collaboration with the Ministry of Environment, Energy and Climate Change, the Decentralised Administration Authority of the Aegean, the Development Corporation of Local Authorities of Cyclades S.A, Harokopio University, Mom and Tethys Research Institute.12

Implementation of the Habitats Directive: The serious delays in approving management measures and assessing the conservation status of the Natura 2000 network continue. As a result, Greece has failed to meet several of the deadlines, regarding monitoring of the conservation status of protected species and habitat types as well as approval of management measures, provided by the EU Birds and Habitats Directives.

With considerable delay, the Ministry of Environment is proceeding with the commissioning of the drafting of the Prioritised Action Framework (PAF), under article 8 of Directive 92/43/EEC. The PAF is a prerequisite for the recording and prioritisation of the conservation needs of Natura 2000 sites in each member state, as a means for the best allocation of the available funds under the new programming period 2014-2020.

On the development front, the application of the precautionary principle, the requirement for appropriate assessment of plans and projects and a number of conservation safeguards that applied

¹¹ The land surrounding Sekania was purchased by WWF Greece for conservation purposes in 1994. Thanks to the efforts of WWF Greece, the area is now reserved for use only by sea turtles and human access is strictly forbidden. More information on Sekania can be found here: http://www.wwf.gr/en/endangered-species/caretta

12 More information on Gyaros and the LIFE= programme CYCLADES LIFE, "Integrated Monk seal conservation of Northern

Cyclades" can be found here: http://www.cycladeslife.gr/en/areas/gyaros/

to Natura 2000 areas are undermined or abolished through various legislative initiatives. Such an example is the issuance of circulars stating that the extension of environmental permits within SCIs and SPAs can be approved without due assessment of the site's conservation status or the impacts of the plan or project and the possible need for adjustment of the permit to new data. The extension of the permit is valid upon submission of a solemn declaration by the project operator that no change has occurred or that changes have occurred but remain compatible with the provisions that apply to the area. On another occasion, the ski resorts, most of which operate within Natura 2000 sites, are exempted from administrative sanctions and their operation permits can be approved on the basis of a mere "acknowledgement of submission of studies" for the renewal of the environmental terms.

For more information of the implementation status of the "appropriate assessment" clause of article 6 of the Habitats Directive, please refer to relevant section 2.

Forest legislation: In July 2014, the alternate Environment Minister submitted to Parliament a bill titled "Environmental improvement and private urban development – Sustainable urban development – Forestry law provisions". The title was indeed ironic, as the content of the bill was very far from boosting sustainable urban development and improving environmental protection. In the midst of public outcry and heated parliamentary debates, the bill was finally voted at the Hellenic Parliament by a tight Government majority of 50-47 on August 5th.

The new Law 4280/2014 was heavily criticised by environmental organisations, citizens groups, individual citizens and part of the media, as it introduces a series of critical changes to forest legislation, essentially altering its conservation character. In response to a three-day urgent call by WWF Greece for public action, over 1,000 people personally addressed the ruling party MPs who participated in the 2nd Summer Recess Section. Through email messages and personal telephone calls, MPs were urged to vote against the draft law.

Law 4280/2014:

- legalises many categories of illegal constructions in forest lands;
- expands the use of protected forested lands for industrial, energy, mining and tourism installations, roads, networks, agriculture;
- allows the building of residential houses within forested lands owned by housing cooperatives, a use which was never allowed and has been ruled unconstitutional by Greek courts;
- abolishes the absolute protection hitherto enjoyed by forested lands that have been destroyed by fire or clearing ("reforested lands"), and allows their use for various activities and installations;
- allows for the clearing of forested lands for agriculture.

In an effort to achieve political consensus and a voting majority, Alternate Environment Minister Nikos Tagaras welcomed a storm of last minute amendments, submitted by MPs. Most of the amendments sanction illegal constructions and businesses and facilitate specific investments. Notorious are the "single-case" provisions removing legal barriers to gold-mining activities in Chalkidiki, Northern Greece and a last minute amendment which sanctions illegal taverns in the protected coastal forest and National Park of Schinias-Marathon.

The new law is the latest and most serious blow to Greece's forest legislation, which has provided for decades the country's forests with a satisfactory level of statutory conservation, despite being notoriously obscure, complex and filled with "single-case" provisions.

Needless to mention that during the same period, only three forest maps were announced, thus proving that one of the thorniest environmental issues, the absence of a forest registry, is still treated as a political "hot potato". The forest maps and registry will offer to the public administration, as well as to prospective investors and civic society the much needed information on the area and boundaries of land that is covered by the forest legislation and other types of land. To date, only 21.4% of the country has been mapped, but only 0.84% of the maps has been ratified and is legally in force. The forest maps and registry constitute a basic and indispensable tool in development planning and in preventing and combatting environmental crime, such as illegal land uses and encroachment on public forests.

Illegal logging: The economic crisis has caused a sharp increase of illegal logging for fuel wood. Important forest ecosystems, such as the rare oak forests of Xiromero (W. Greece) and Foloi (W. Peloponnese), Mount Grammos (W. Macedonia) and Mount Pelion (Thessaly), are systematically

plundered by loggers who clear areas either for personal or commercial use. During 2012, 3,105 lawsuits were filed by the forestry authorities against illegal loggers and 13,088 metric tonnes of illegal timber were confiscated. In 2009, the number of lawsuits was 166. Data for 2013 have not yet been announced.

As austerity has stripped the environmental administration of human and financial resources, the forestry authorities are seriously hampered in effectively addressing the illegal logging crisis.

Focus: Biodiversity Law and Presidential Decree on small island wetlands

A momentous step forward in Greek environmental legislation, Law 3937/2011 "on the conservation of biodiversity" completed three years in force. Its implementation to the fullest possible extent being a matter of political will, this law is a major step forward in national environmental policy making as it sets the framework for effective and integrated conservation of Greece's biodiversity.¹³

Over 20 implementing acts, such as the specifications and contents of protected area management plans and the national list of important species, remain to be issued.

The first implementing act of the Biodiversity Law, the 2012 Presidential Decree for the protection of 380 small wetlands, has proven vital in halting destructive projects and interventions in these fragile ecosystems that were until recently considered as "mosquito-filled swamps". The Presidential Decree is a good example of clear regulation that provides legal certainty and sets well-defined rules. During the reporting period, the Ministry of Environment, Energy and Climate Change issued a circular addressed to all relevant public administration authorities, calling for their attention to the implementation requirements of the decree at the local level.

WWF Greece operates a volunteer network for the monitoring of the conservation status of the wetlands on many islands. Through regular and ad hoc visits to these areas, the members of the network monitor threats or illegal acts, which are then reported to the competent authorities. The local authorities were quick to respond and take action on all occasions of illegal acts that were reported by WWF Greece, despite the serious problem of understaffing they face. In six of the reported cases, degradation was halted and the damage was partly restored. In two cases, financial penalties were imposed and in five cases the perpetrators were called to account. It should, however, be noted that the role of the administration is limited when it comes to the restoration of damaged ecosystems and not just halting illegal acts on the spot.

¹⁴ More information on WWF Greece island wetland project can be accessed at: http://www.oikoskopio.gr/ygrotopio.

¹³ WWF. (2011, 11 March). Economic adversity doesn't stop Greece protecting biodiversity. http://wwf.panda.org/?199615/Economic-adversity-doesnt-stop-Greece-protecting-biodiversity#disqus_thread

ENVIRONMENTAL INTEGRATION

The examination of environmental integration across policy areas, i.e. at a horizontal level, is a new chapter in WWF's annual review. However, given the massive environmental rollback that is taking place under the umbrella of the Memorandum, WWF Greece now monitors the legislative and policy initiatives across ministries.

11. Economic adjustment programme

As already evident by the thematic analysis summarised above, the structural adjustment programme for the Greek economy sets the framework for the main bulk of policy and legislation formulation. Its environmental dimensions have been well analysed and reported by WWF, both at the national and at the EU level.

In July 2013 and April 2014, the European Commission announced the third and fourth review of the Greek programme. The reviews list a series of programmatic commitments with a clear, direct or indirect, environmental outlook. The commitments are listed in titles, with no clear content, thus making it difficult to determine the level of responsibility by either the Greek Government or the troika in promoting these policies.

Specific commitments with clear environmental dimensions, which have been included in the latest Programme review are the following:

Par / Page	Action	Deadline MoU	Comments	Status
MoU 5.1.2.8	To facilitate spatial planning including through an effective land registry, the Government:			
MoU 5.1.2.8.i	Adopts a revised framework legislation to simplify and reduce the time needed for town planning processes.	July 2013	New deadline: April 2014.	N/A
MoU 5.1.2.8.ii	Completes the revision of the regional spatial plans to make it compatible with the sectoral plans on industry, tourism, aquaculture and renewable energy as follows:			
MoU 5.1.2.8.ii.a	After the completion of the first phase, the second phase of modification is completed.	July 2013	The A2 (second) phase of modification of the regional spatial plans is completed for 11 out of 12 regions. (Region of South Aegean is reported separately, see MoU action 5.1.2.8.iii).	
MoU 5.1.2.8.ii.b	The third phase for the formulation of proposals is completed.	November 2013	The third phase for 10 of 12 regions is expected to be completed in February 2014. The third face for North Aegean is expected to be completed by the end of March 2014. New deadline: March 2014 and April 2014 respectively.	Not Observed.
MoU 5.1.2.8.ii.c	The fourth phase for the legislation of the final proposal is completed.	February 2014	The fourth phase for 10 of 12 regions is expected to be completed by the end of April 2014. The fourth phase for North Aegean is expected to be completed by the end of June 2014. New deadline: May 2014 and June 2014 respectively.	
MoU 5.1.2.8.iii	Completes the revision of the spatial plan for South Aegean to make it compatible with the sectoral plans on industry, tourism, aquaculture and renewable energy as follows:			
MoU 5.1.2.8.iii.a	The first phase of this revision is completed.	September 2013	Finalization of the first phase is expected by the end of March 2014. New deadline: March 2014.	Not Observed.
MoU 5.1.2.8.iii.b	The second phase of modification is completed.	November 2013	This action is expected to be completed by the end of April 2014. New deadline:	Not Observed.

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¹⁵ α) European Commission. (2014, April). The Second Economic Adjustment Programme for Greece – Fourth Review. Occasional papers 192. Brussels: European Union. β) European Commission. (2013, July). The Second Economic Adjustment Programme for Greece – Fourth Review. Occasional papers 159. Brussels: European Union. Retrieved from ec.europa.eu: http://bit.ly/1lpElK0

			April 2014.	
MoU 5.1.2.8.iii.c	The third phase for the formulation of proposals is completed.	March 2014	This action is expected to be completed by the end of July 2014. New deadline: July 2014.	
MoU 5.1.2.8.iii.d	The fourth phase for the legislation of the final proposal is completed.	June 2014	This action is expected to be completed by the end of September 2014. New deadline: September 2014.	
MoU 5.1.2.8.iv	Reforms the forestry legislation as follows:			
MoU 5.1.2.8.iv.a	Updates legislation on forests and forest lands.	September 2013	Public consultation on draft law on forests and forest lands is completed and will soon be submitted to Parliament. New deadline: June 2014.	N/A
MoU 5.1.2.8.iv.b	Codifies legislation on parks, forests and forest lands.	December 2014		

More specific reference is made to the coastal zone, in the direction of economic development:

"The authorities have taken measures to improve land use for economic development. The Government intends to adopt legislation to define coastal zones, and will adopt a law for spatial planning to streamline the national planning process in May 2014. This law reduces the number of hierarchical plans that have to be in place for a development to occur, facilitate strategy investment and privatisation, and devolves powers to local levels to modify existing plans in line with economic needs. The authorities will also adopt by June a new forestry law to clarify the definition of forests and forest lands and streamline forestry administration. In addition, the Government has made progress in tendering projects for the cadastre and forestry maps in order to ensure their completion by 2020."

WWF brought to light the alarming rate of these perilous environmental losses early on and continues to monitor them. In two letters¹⁶, which were addressed to the IMF's Managing Director Christine Lagarde and the EC's President Jose Manuel Barroso, WWF stated that although Greece was never an environmental frontrunner, the Troika that dictates fiscal policies and supervises the Greek economy is clearly now accountable for the current environmental rollback that we are witnessing. In a letter signed by Olli Rehn (Vice President for Economic and Monetary Affairs and the Euro) and Janez Potočnik (Commissioner for Environment), the European Commission replied to WWF's January 2012 letter. In its three-page letter, the Commission states that:

"We share your concerns about safeguards and principles that should govern the adjustment programme. As a Guardian of the Treaties, the Commission ensures that the acquis is complied with and implemented. This role implies that no measures agreed in the context of the adjustment programme can go against the EU regulatory framework. Every effort is made so that the economic adjustment programme respects the environmental acquis. Legislation and appropriate processes are available for this, either through consultation of programmes in the context of the Strategic Environmental Assessment Directive or in the context of the Environmental Impact Assessment Directive needed for the various development projects" 17.

In June 2014, WWF addressed the troika with a new letter. This time, WWF stated emphatically that the troika and the Greek Government share responsibility for the torrential environmental rollback that has resulted from the implementation of the economic adjustment programme:

"WWF believes that there is a shared responsibility between the members of the Troika and the Greek Government for the environmentally dramatic consequences of the policies and measures agreed under the Programme. The Greek Government, under the threat of sinking deeper into the crisis, is overseeing measures that deregulate and undermine the prospects for the genuine development of a truly living and sustainable Greek economy. The members of the Troika are equally responsible for promoting and formulating measures of a development model based on narrowly defined economic objectives that will lead ineluctably towards a profound ecological deficit." ¹⁸

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 $^{^{16}}_{--} \, http://www.wwf.eu/news.cfm?203071/Environment-jeopardised-by-economic-bail-out-plans-warns-WWF$

http://www.wwf.gr/images/pdfs/EC-reply-to-WWF-%20OlliRehn&JanezPotocnik.pdf

¹⁸ WWF. (2014, 16 June). Economic adjustment programme threatens Greece with a deeper crisis, warns WWF [press release and letters]. http://www.wwf.eu/?223552/economic-adjustment-programme-threatens-greece-with-a-deeper-crisis-warns-wwf

In his September 1st, 2014 reply, EC Vice President Jyrki Katainen, writing on behalf of Commission President Jose Manuel Barroso, states that the Programme supports measures to strengthen the feeble governance system of Greece. To corroborate this statement, the Commissioner lists a series of Government legislative initiatives that in reality provide anything but support for the improvement of the country's environmental record: the 2011 environmental licensing law, which legalises illegal buildings, paralyses Greece's environmental administration and undermines the protected areas system (including the Natura 2000 network); the new spatial planning law, which allows for any type of investment plans (particularly favouring tourism developments) anywhere-even within protected areas-despite existing specially protective regimes; and the draft law on coastal development, which has caused a massive public outcry and has been put on hold. This letter makes is clear that the Commission supports the Greek Government in this legislative and policy rollback.

12. Finance Ministry

Draft law on the coastal zone: On April 17th, 2014, the Ministry of Finance placed under public consultation a draft law titles "Demarcation, management and protection of the shore and the beach". The draft law caused massive public outcry, since it introduces regulations that:

- restrict the longstanding public right to unhindered access to the coast;
- restrict the number of lakes with a legally protected coastal ecosystem to those that are larger than 9,450 sq.m.;
- legalise existing illegal developments on the coastline, upon payment to the public purse of an "objective value";
- facilitate beach concessions primarily for the benefit of bars, umbrellas and beach beds (currently the allowable area for each concession is 500 sq.m., with a min. 100 m. of free land between concessions);
- encourage permanent constructions on the beach for business purposes;
- abolish the requirement of beach delineation as a prerequisite for the approval of private or public developments, maintaining the separate legal treatment of the shore $(\alpha i \gamma i \alpha \lambda \delta \zeta)$ and the beach $(\pi a \rho \alpha \lambda i \alpha)$.

The draft law does not aim to modernise Greek law by, e.g. taking into account new scientific data (climate change, urban sprawl, erosion) or the need for integrated management of the coastal landscapes and ecosystems as one of Greece's unique selling points. It also fails to cut red tape and conform to standard rules for better regulation, as it appears to be replete with "tailor-made" and obscure provisions (manifestly in favour of specific investment plans).

In the midst of the phenomenal outcry and political heat that this draft law caused, WWF Greece submitted to the Finance Ministry a proposed integrated framework for the protection and management of the coastal zone. The proposed framework is aligned with Council Decision 2009/89/EC "concerning the conclusion, on behalf of the European Union, of the Protocol on Integrated Coastal Zone Management in the Mediterranean to the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean". According to WWF Greece, the bare minimum principles and guidelines for a "good" coastal law are the following:

- 1. Integrated management and delineation of the coastal zone (not separating between foreshore old foreshore and beach), as characteristic landscape and green infrastructure which is vital to a living economy and an environmentally safe future.
- 2. Establishment of a no-building zone (for new constructions), which extends 100 m. in width from the line of the foreshore, as described in the ICZM Protocol.
- 3. Institutional safeguarding of public unhindered access to the entire coastline.
- 4. Integrated coastal zone management, which does not depend upon the political priorities of each ministry, at each time.
- 5. Immediate detection and public reporting of all illegal constructions and land uses on the coastal zone and imposition of the respective financial penalties.
- 6. Protection and ecosystem based management of the riparian ecosystems and safeguarding of the communal character of riparian zone in all rivers and lakes.

The coastal draft law has not yet been submitted to Parliament, thanks to the objections raised and the public outcry. In August, the Ministry of Finance included the articles regarding shoreline delineation in an omnibus law. The remaining articles of the April 2014 draft law are currently undergoing further elaboration.

Public assets: This reporting period saw the maturity of the portfolio managed by the Hellenic Republic Asset Development Fund (HRADF). Through the dramatic changes in the forestry and spatial planning legislation, the legal framework protecting large areas of public land can now be now be cleared from legislative "barriers" to building and land use change.

Important areas are now managed by the HRADF, regardless of their nature conservation status. Examples are the Natura 2000 sites of Gialova-Divari lagoon in the Peloponnese, part of the Kotychi – Strofylia National Park (also protected under the habitats and birds directives) and many small island wetlands, which are strictly protected under a special 2012 Presidential Decree. In all these ecologically sensitive and legally protected areas, the HRADF proposes the development of vacation homes and tourism resorts.

The case of the portfolio handled by the HRADF is indicative of the legal uncertainty that covers these dubious development initiatives of the Greek Government: prospective investors are not informed about the incumbent special protection status of these lands. In this manner, both the conservation status and the realisation prospects of the investment plans themselves are undermined.

13. Tourism Ministry

Major tourism investments are promoted as the forefront of Greece's national development planning, focusing primarily on the construction of new large integrated resorts (LIRs) almost everywhere in the country.

Law 4179/2013 on tourism investments: The new law, voted in August 2013, promotes the model of LIRs and vacation homes as the heart of Greece's new tourism development model. Yet, no documentation has been submitted, either to the Parliament or to the public, regarding the real demand for these new facilities, which cannot be covered through the renovation or reuse of the existing residential stock.

On the contrary, the flooding of other EU markets with thousands of new resorts, condo hotels or tourist villages has resulted in financial collapse and irreversible loss of natural landscapes and ecosystems. Such is the case of Spain. As stated by Juan Carlos del Olmo, WWF Spain's Director, in a letter to the Greek Ministers of Tourism and Finance, ¹⁹

"Currently, 75% of the Spanish coast is urbanized or is under development (at a rate of 8 ha/day during the last 20 years) and the first kilometre of coastline has been completely developed in one third of Spain's Mediterranean coast. In the same time, about half a million dwellings are empty.

This disproportionate growth of real-estate industry has had a huge environmental cost and has fostered corruption. The increase in population living along the coast and uncontrolled development have caused a profound degradation of the coastal environment, accompanied by unsustainable use of water, land and energy.

Furthermore, important key ecosystems have disappeared or are under severe threat: most of the coastal wetlands have disappeared, 60% of the dunes have been lost, 80% of Posidonia oceanica meadows have been degraded, beaches have regressed and many river channels and streams have been altered."

Another important development was the approval of Law 4179/2013 "Simplification of procedures for the support of tourism entrepreneurship, restructuring of the National Tourism Organisation and other provisions". This new law:

1. Opens the way for an un-assessed heavy footprint on the entire natural area, with particular impact on specific protected areas. The provisions allowing for the construction of large resorts and vacation homes in forested lands and coastal areas, the alleviation or restrictions in Natura 2000 areas and the "settlement" of a multitude of illegal land uses and constructions, in disdain for law-abiding citizens and businesses.

¹⁹ Del Olmo, Juan Carlos. (2014, 27 Iouvíou). Letter to Finance Minister Mr Yiannis Stournaras and Tourism Minister Mrs Olga Kefalogianni. WWF Spain. http://www.wwf.gr/images/pdfs/JuanCarlos-del-Olmo-Letter-to-Greek-Governent-on-coastal-law.pdf

- 2. Utterly violates incumbent environmental law, for example by substituting the licensing procedures (on many occasions obligatory under the Constitution and EU law) with a "study submission acknowledgement" or "solemn statement by the engineer".
- 3. Ignores types of low footprint tourism that shift the spotlight on Greece's most significant "tourism product", i.e. nature. Eco and nature tourism and the renovation of abandoned villages for the creation of nature friendly resorts are neglected forms of tourism development that can tap the full potential of Greece's unique selling point, while at the same time protecting it.
- 4. Relinquishes state income by reducing the fee for the use of foreshore by tourism investments and the illegal buildings owned by the Hellenic Olympic Committee in Ancient Olympia. The doubling of the financial penalty for free campers can only attract ironic comments, especially as Greece has seen a dramatic loss of deserved income by the deletion or reduction of inestimable amounts of financial penalties imposed on illegal buildings and land uses.
- 5. Approves the *de facto* independence of the Tourism Ministry in spatial and urban planning for tourism developments, thus establishing a politically spineless, legally uncertain and environmentally perilous *status quo*.

Ministerial decision for the licensing of tourist accommodations: In accordance with the above mentioned law on tourism investments, the Minister of Tourism signed a decision laying down the licensing framework for vacation homes. This decision is not co-signed by the Environment Minister, despite the fact that it includes environmental licensing procedures.

Essentially, through this decision the construction of vacation homes is subject to the same rules and permits as residential housing. It also allows for the building of up to ten homes in each plot, which in practice results in the creation of new villages in almost all types of natural lands, without any planning or concern for their servicing though public infrastructures (eg. waste management facilities). It also provides for the issuance of special operation accreditation without any inspection, under the sole condition that all supporting documents have been duly submitted.

14. Investments law

Through a series of Investments Laws (currently Law 3908/2011, as modified by L. 4146/2013), Greece has for decades been providing financial support to almost any type of investment plans with the incentive of tax exemption or subsidies.

Despite some weak references to environmental criteria, in essence Greece's investments policy is characterised by a serious environmental and social deficit, since:

- it provides support to all kinds of investment plans regardless of their environmental footprint, as for example industrial activities constructed in extra-urban areas, thus often creating agglomerations lacking basic infrastructures and networks;
- excludes the social economy;
- does not include public accountability procedures, such as for example a publicly available annual report on the subsidised investment plans and the development benefit.

It should be mentioned at this point that until 2013 support could not be given to large tourism investments. Law 4146/2013 provides for financial support of up to 40% of the eligible costs to large integrated resorts, golf courses, vacation home complexes, car tracks and other investment plans in the area of tourism development.

According to the official announcements by the respective competent authorities, the first 2014 call in the framework of the Investment Law will support some 292 investment plans in the areas of "regional cohesion" and "general investments". The approved plans relate primarily to tourism (in almost all regions), agriculture (primarily in Sterea Ellada, Macedonia, Thessaly and N. Aegean), fur animal farms (in W. Macedonia), and energy. Some investment plans in industry (primarily in Sterea Ellada and Central Macedonia), waste management (Attica) and manufacturing have also been approved.

In this section it is worth copying the following excerpt from an independent economic analysis published recently by the European Commission on the development model of Greece: "...our competitiveness gap measure identifies the sectors in which Greece enjoys a comparative advantage (international shipping, tourism and agriculture) and the sectors in which Greece is lagging behind (manufacturing). This opens questions for the design of a growth strategy. Should

Greece focus efforts on nurturing and expanding its current competitive advantage, or should it focus efforts on laggards, thereby diversifying its economy and possibly benefiting from quick reform gains and "low hanging fruits"?"²⁰

The weak presence of the manufacturing sector and social economy needs support in order to diversify and strengthen the national economy. Emphasis needs to be placed on the competitiveness and sustainability of the investment plans that are eligible for state funding. At present, it is an indisputable fact that Greece invests public money, political backing and legislative support (currently accompanied with environmental deregulation) in the monoculture of already developed sectors. In this manner, the need for enrichment with new economic activities that are extrovert, innovative and environmentally sustainable is practically ignored.

As proposed in WWF Greece's report "A living economy for Greece"²¹ the national investment policy should set out priorities based on specific sustainability and innovation criteria.

²⁰ Böwer, U., Michou, V. and Ungerer, C. (2014, June). The Puzzle of the Missing Greek Exports. Economic Papers 518. European Commission-Economic and Financial Affairs. p. 20.

ttp://ec.europa.eu/economy_finance/publications/economic_paper/2014/pdf/ecp518_en.pdf

21 WWF Greece. (2013, October). A living economy for Greece [Proposal]. http://www.wwf.gr/images/pdfs/Living-Economy-Vision-in-Greece-EN.pdf

CONCLUSION

2013-2014: The current review concludes that the attraction and unhindered approval of major investments, primarily in the area of tourism, is the new development paradigm for Greece, regardless of the associated environmental footprint and the long-term economic and social impacts. In this frantic quest for short-term development at any cost, environmental legislation and conservation restrictions within protected habitats is treated as a burden that needs to be done away with.

As noted by WWF in a June 2014 letter addressed to the Troika supervising Greece's economic adjustment programme, "since 2010, when the first Economic Adjustment Programme (herewith "Programme") was agreed, we have witnessed an important loss of legal and political safeguards for the protection of the environment and a diminution of the overall quality of life. Greece is now embarked on an even deeper crisis to come: ecological, social and economic".

The environmental policy domains that were mostly affected are the following:

- · forest legislation,
- spatial and urban planning legislation,
- the "red line" for the legalisation of illegal buildings,
- legal certainty, through a storm of "tailor-made" provisions included in legislation of irrelevant content, which aim to serve specific investment plans.

Especially during the period that followed the closing of the Plenary of the Hellenic Parliament and during the Vacation Session of Summer 2014, a legislative hyperactivity ensued, with the pretext of the urgent need to satisfy the expired Programmatic conditions. The bill on spatial and urban planning, which was voted within the astounding period of just two days, considerably deteriorates the already feeble relevant acquis. Next came the forest bill, which signaled a dramatic loss of important environmental safeguards, a shocking disregard for the rich forest case law produced by the national courts and a scandalous regression along the thorny path of legal certainty and good regulation.

Negative developments were also recorded in the domain of European Court of Justice case law. The ruling of the ECJ against Greece for the unacceptable coexistence of an illegal landfill within the internationally significant sea turtle nesting habitat of the National Marine Park of Zakynthos is another case of international ridicule by a country that boasts for its nature and tourism product. Another case, relating to another nesting beach, on the Kyparissiakos Bay is pending.

In the same period, two referrals of Greece back to the ECJ for non-conformity with previous rulings are expected to result in the imposition of enormous financial penalties. Both cases relate to continued violation of the EU's law on the waste and waste water treatment. Especially for a cash-strapped country like Greece, non-conformity with EU law can have embarrassing consequences.

This year was also indicative of yet another crisis, a silent one. The publication of the water basin management plans for five regions is revealing of the bad chemical status in many areas, primarily due to pollution. Yet the extent of this crisis is not at all clear: there is a serious lack of data which renders "unknown" the status of many water bodies. The response of the Ministry through the approved management plans is to simply bypass the problem by rendering them "exempt" from the application of the Water framework Directive. Similarly to the case of Natura 2000 sites, monitoring of the status of the natural environment in Greece constitutes a forgotten priority.

The sporadic positive developments recorded in the review relate primarily to the implementation of EU environmental law or the enhanced absorption of Community funds. Hence, the approval of the National Biodiversity Strategy was indeed commendable progress, despite the 15 year delay. Also, at least temporarily, important operation problems of the protected area management bodies were solved. On a parallel track, a new framework for the operation of the national system of protected areas is being developed by the Ministry. A landmark decision by the Council of State was another sign that guardians of the laws still exist in Greece: Plenary decision 24/2014 closes the door of legality to the scandalous diversion of the River Acheloos.

However, the most promising development was the non-submission to Parliament of the coastal bill. This environmentally detrimental legislative proposal of the Finance Ministry achieved a

difficult feat, in these dire times of crisis: to cause a tsunami of public outcry, which proves that the conservation of Greece's unique natural capital is a priority concern for many.

In short, during the reporting period we witnessed the ripening of a new development vision made of old and worn-out material: Greece as an unlimited host of new constructions and intensive land uses.

10 years: In the first environmental law review, in 2005, a series of problems had been recorded that paralysed the implementation of legislation and policies. Lack of transparency in law and policy making and public administration; absence of spatial planning; chaotic legislation, full of case specific provisions that even undermined one another; non conformity of the administration with court decisions; limited knowledge of legislation by the competent authorities; long and crippling procedures for the monitoring and control of environmental crime and lawlessness; understaffing of key public authorities, such as the Environmental Inspectorate. These were the sharpest environmental thorns in 2005.

In a rough review of the decade since 2005, particularly positive progress has occurred in relation to the access of citizens and public authorities to administrative and legislative information on the environment. The establishment of the Di@vgeia (Eng. "Cl@rity) programme, in 2010, and the free of charge access to the issues of the Government Gazette and the entire corpus of legislation through www.et.gr has achieved a feat that seemed surreal in 2005: to guarantee unhindered access of all citizens to the acts of the country's political leadership and administration. Progress has also been achieved with regard to public access to consultation procedures, although gradually the requirement for consultation during the legislative process is being degraded to no more than a formal requirement with no further obligations on the part of the initiator.

Independent authorities, particularly the Ombudsman, and the Council of State have also contributed greatly to defending environmental legality. Particular mention is due to the Hellenic Environmental Inspectorate, whose work has been crucial in combatting environmental crime and also increasing awareness of the consequences of environmental law violation. The initiative of the political leadership of the Ministry of Environment, Energy and Climate Change to undermine the status of the Inspectorate to the level of a directorate reporting to the Minister, instead of pursuing its advancement to the level of an independent authority reporting to the Parliament, is a shameful and utterly unjustified policy rollback.

One of the most important developments of the decade was the voting of Biodiversity Law 3937/2011. The intense reaction by many parliamentarians, focusing on the restriction of unplanned building rights within protected areas is an indication that this law was a giant step forward in Greek politics. The Biodiversity Law introduces a systematic and integrated approach to the organisation of the National System of Protected Areas and the conservation of important habitats and species. During its first three years into force, the law has contributed greatly to addressing threats and challenges for many natural treasures. Despite the fact that its implementation requires the political will to proceed with the approval of many conservation plans, studies and decrees, the signing of the Presidential Decree on the protection of 380 small and particularly fragile wetlands in 59 islands was a landmark in environmental law and has already proven vital in averting destructive acts and interventions.

Particularly hopeful was the increasing level in public awareness and mobilisation that marked this decade. The first notable example was the massive protests that flooded many Greek cities during the "black summer of 2007". During the catastrophic mega-wildfires that destroyed vast areas of forests and resulted in the loss of over 70 human lives, thousands of people took to the streets demanding effective forest conservation. Next milestone: the 2009 UN summit on climate change in Copenhagen, which activated thousands in demanding a good international agreement. More recently, large public protests and mobilisations were caused as reaction to specific high footprint investments, most notable of which is the case of gold mining in Chalkidiki. The latest example of this growing environmental concern is the public outcry against the coastal and forest bills, which was expressed this year. This was clearly a decade of environmental indignation, proving that the environment is not just a local matter or "my back yard" to all Greeks, but much more: the present and future of us all.

Notwithstanding the clear and hopeful developments of the decade, a massive rollback started during the years of the crisis and is now reaching a catastrophic climax, under the guise of urgent measures for quick development and national salvation. Following the voting of the first pack of

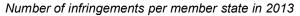
measures for the implementation of the Economic Adjustment Programme, in 2011, a systematic demolition of key environmental and spatial planning legislation started. The targeted legislation was definitely filled with problems, but nevertheless constituted the bare minimum of a precious "acquis" that needed to be safeguarded and improved. Instead it was confronted by many as an impediment to the rapid development at all costs, which constitutes the core policy by the Government.

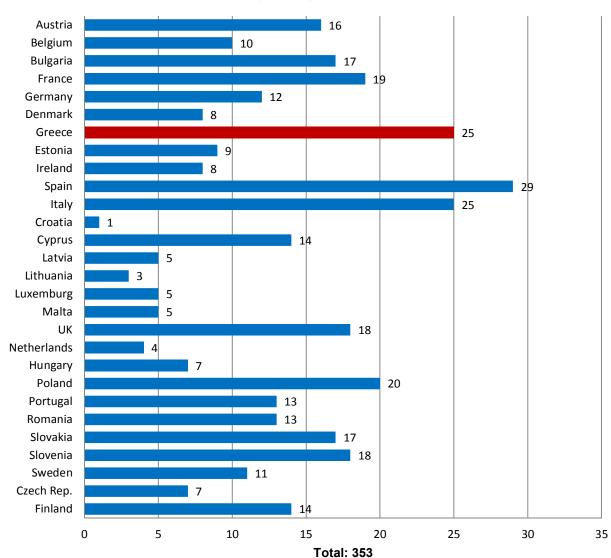
With the aim of facilitating any type of investment plan, the first target was the environmental permitting and impact assessment framework. At the same time, a barrage of legislative initiatives aimed at surpassing any obstacle for the legalisation of illegal constructions and land uses, despite the fact that the implementation of the first law was cancelled by the Council of State. Then the target shifted towards the forest and coastal legislation, which was pierced through with countless case specific provisions, favouring particular investments and plans, thus also seriously undermining legal certainty and good regulation. On a parallel track, the weakening of the public administration is steadily progressing, especially through the reduction of staff in already understaffed services and authorities, while at the same time the pressures for timely handling of investment plans have dramatically increased. On many occasions, the failure to respond on time is either deemed as favourable or constitutes reason for the imposition of administrative sanctions against the public employee.

As the original Greek word denotes, a crisis is a coin with two sides: one dramatic and one positive. The Greek crisis got stuck in the dramatic side of things and ignored the opportunities for critical assessment of the roots of the economic collapse, which lie in the development model itself. The political response to the crisis has also ignored a historically unique opportunity for the launch of a broad, open and inclusive social dialogue on the best development model – a dialogue that never occurred in this country. Instead, Greece hastily entered a trajectory of frantic deregulation and panic stricken call for any type of investments, without planning, unclear development potential and definitely without evident social consensus.

ANNEX 1 - Implementation of EU environmental law

Table: Open infringement cases in EU-28





This review was announced on 15 September 2014.

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