

ENVIRONMENTAL LAW IN GREECE

11th annual review: Focus on the Greek Economic Programme

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CONTENTS

EXECUTIVE SUMMARY		4
FOC	CUS: GREEK ECONOMIC PROGRAMME- ENVIRONMENTAL IMPLICATIONS	6
1.	Second Economic Adjustment Programme	6
2.	Memorandum of Understanding for a three-year ESM programme	8
3.	OECD reports on reducing administrative burdens	10

EXECUTIVE SUMMARY

WWF Greece's annual review of the status of environmental law and policy in Greece now runs in its 11th year: the first review was published in June 2005. Each annual review presents and discusses the developments in environmentally relevant a) laws and policies and their implementation at the national, EU and international levels, and b) case law by Greek courts and the EU's Court of Justice. The fields of environmentally relevant policy analysed in each annual review include access to information, environmental impact assessment, nature conservation, energy and climate change, waste treatment, air pollution, control of environmental crime, spatial planning, water resource management, and the operation of a national Green Fund.

Through each annual review, WWF Greece sheds light on the often incomprehensible institutional framework and court rulings dictating or undermining the protection of the environment in Greece. It also highlights the non-transparent and fragmented process by which environmental degradation is achieved, also demonstrating how vested interests are served by fast-tracking procedures and tailor-made regulations. Further to facilitating actual understanding of the legislative process, thus empowering citizens who more often than not stand powerless before the legislative maze.

Published only a few days before the programmatic statements by the new government, this year's review gains particular political significance as it tracks the successes, failures and lost opportunities of the political and legislative initiatives of two consecutive outgoing governments: the coalition government of Antonis Samaras (until December 2014) and the re-elected coalition government of Alexis Tsipras (until July 2015).

The findings of this year's review are the political compass for the incumbent government's policies on environment, energy and, ultimately, the development of a living economy that can sustainably lead Greece out of the economic crisis.

The reporting period was marked by the following milestones and developments:

- 1. Dramatic increase in the number of EU environmental law infringement cases: from 25 in 2013 to 36 in 2014.
- 2. New rulings by the EU Court of Justice against Greece on important cases: on landfills (subject to financial penalty), inadequate protection status of the sea turtle *Caretta caretta*, and water pollution by nitrates.
- 3. Paralysis of the national protected area system, due to lack of funding and political support.
- 4. Approval of the National Strategy on Biodiversity, with the challenge of its implementation remaining open and uncertain.
- 5. Approval by the Ramsar Convention on Wetlands of International Importance of a resolution on the conservation of small island wetlands in the Mediterranean; the resolution was officially submitted to the Ramsar Secretariat by Greece, and was supported by WWF Greece.
- 6. Further diminution of the system of environmental governance through the incorporation of the environment sector to agricultural production and industry under the new Ministry of Productive Reconstruction, Environment and Energy.
- 7. Downgrading of the Environmental Inspectorate, which is now staffed with no more than 17 inspectors covering the entire country, and representing the system of environmental crime control.
- 8. New round of legalisation of illegal constructions, which in many cases results in the abolition of imposed financial penalties, and the loss of substantial income (one single decision for example for an illegal construction may imply a fine up to half a million euros)).

- 9. New round of shoreline and beach concessions within Natura 2000 sites, for the establishment of canteens, bars and sunbeds despite the relevant decision of the supreme court (Council of the State), without prior appropriate assessment of their impact on the ecosystem.
- 10. Adoption and implementation of new anti-forest laws that allow for the development of settlements within ecologically sensitive forest areas and legalise confirmed law violations.
- 11. Constant contempt of environmental legality by the Public Power Corporation (PPC), through the inclusion of its own illegal constructions in the new permits signed by the former Minister for Productive Reconstruction, Environment and Energy for the new 660MW lignite power plant Ptolemaida V.
- 12. Approval of final construction permits for the financially and environmentally unsustainable new lignite power plant Prolemaida V.
- 13. Application to the European Commission for exclusion from the 2010/75/EU Industrial Emissions Directive of the old and polluting lignite plant Ptolemaida III, which will immerse Greece deeper into a fossil-fueled energy future.
- 14. Worrying data on the extent and economic impacts of environmental crime in all Europe, Greece included, issued by Europol and Interpol.
- 15. Increasing lack of transparency in the operation of the Green Fund.
- 16. Dramatic decline in the quality of legislation and the transparency of the law making process, primarily due to the immeasurable lot of uncoordinated clientelist and oftentimes cryptic provisions, which serve particular interest groups and 'settle' established infringements, at the expense of legal certainty and in mockery of law abiding citizens and businesses.
- 17. New bailout agreement, which includes provisions for the re-examination and possible repeal or improvement of environmentally catastrophic and clientelist legal provisions on forestry and spatial planning, which were voted in 2014.

WWF Greece's annual law review is published in Greek. Selected chapters are also published in English, focusing on a) nature and biodiversity, b) energy, and c) Greece's bailout programmes.

FOCUS: GREEK ECONOMIC PROGRAMME-ENVIRONMENTAL IMPLICATIONS

The horizontal integration of the environmental dimension into all sectoral policies is a main EU guideline for all its member states and without doubt a fundamental pillar for fundamentally sustainable development.¹

This section presents the changes in the development policies that - during the period covered by the report - had significant environmental implications. Besides, since 2012, the annual WWF Greece legislation reviews include the environmental dimensions of the Economic Adjustment Programmes (Memorandums of Agreement), through reviews and evaluation reports on their progress of implementation.

The period covered by this report is defined by the following events:

a) End of the 2nd Economic Adjustment Programme (March 2012 - June 2015).

b) Negotiations on the 3rd Programme, which were concluded with the approval by the Hellenic Parliament of Law 4336/2015 "Provisions regarding pensions - Ratification of the Draft Agreement on the Financial Assistance by the European Stability Mechanism (ESM) regarding the implementation of the Financing Agreement".²

c) Publication of the OECD report "Measurement and Reduction of Administrative Burdens in Greece: An Overview of 13 Sectors"³, which includes sectoral reports on the environment, energy and tourism.⁴ Greece has committed to implementing the OECD recommendations described in this report as part of implementing the new macroeconomic adjustment programme.

1. Second Economic Adjustment Programme

During the period covered by this report, some of the commitments that have significant environmental dimensions and are included in the fourth evaluation report on the implementation of the Second Programme of Economic Adjustment for Greece (published by the European Commission in April 2014⁵) were implemented. These programme commitments are identified but their content isn't made explicit, and hence neither the flexibility that the Greek government is given regarding the nature of the corresponding regulations it needs to implement, nor the side that recommends or drives forward these regulations are clarified. There is no doubt, however, that the laws that were voted in order to materialise the commitments that were implemented, are far from the desired level of good, transparent and fair lawmaking: particularly the regulations dealing directly or indirectly with the environment, urban planning and environmental licensing of new investment plans that were voted this year are monuments of tailor-made regulations that serve explicit interest groups, secrecy, fragmentation and a constant drive towards legalising proven illegalities.

¹ Brief mention (p. 5-6) in WWF Greece's first report on the implementation of environmental legislation (2005), available online at http://politics.wwf.gr/images/stories/political/nomoreport2005.pdf. WWF Greece.

² Greek Parliament. (2015, August 14). Law 4336/2015 "Provisions regarding pensions - Ratification of the Draft Agreement on the Financial Assistance by the European Stability Mechanism (E.S.M) regarding the implementation of the Financing Agreement" (Greek Official Journal A' 94/14.08.2015). <u>http://www.hellenicparliament.gr/Nomothetiko-Ergo/Anazitisi-Nomothetikou-Ergou?law_id=432e963c-b6b7-4667-8c35-</u> a4f2002585da

³ Organisation for Economic Co-operation and Development (OECD). (2014, September 1). Measurement and Reduction of Administrative Burdens in Greece: An Overview of 13 Sectors. <u>http://www.keepeek.com/Digital-Asset-Management/oecd/governance/measurement-and-reduction-of-administrative-burdens-in-greece_9789264213524-en#page1</u>

⁴OECD. Op. cit. "Final Report: Environment". <u>http://www.oecd.org/gov/regulatory-policy/Greece-Measuring-administrative-burdens-</u> Environment.pdf

⁵ a) 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. Available at ec.europa.eu: <u>http://bit.ly/1lpEIK0</u>

The specific commitments that have clear environmental dimensions, and the Greek government was committed to implementing by the end of 2014 are the following:

Par / Page	Action	Deadline MoU	Comments	Implementation
	onditions for economic activity t and competitive business environment			
MoU 5.1.2.1.0	In order to achieve a timely realisation of the cadastre, the government will:			
MoU 5.1.2.10.i	Based on existing surveys, provide maps of constructions on non-urban land.	June 2014		No progress
MoU 5.1.2.1	Legally validate the forest maps and the coastal zone of the entire country based upon the respective maps of the EKXA delivered in 2009. Milestones will be set for the completion of particular areas.	December 2015		Coasts: Draft bill for coastlines. Forest maps: No progress
MoU 5.1.2.3	To implement Law 4014/2011 on environmental licensing of projects and activities, the Government issues:			
MoU 5.1.2.3.vi	The Ministerial Decision (Art.18.5) Digital Environmental Registry.	February 2014	There is a draft JMD (with MAREG) which is expected to be signed by the end of March. New deadline: March 2014.	
MoU 5.1.2.3. viii	The Presidential Decrees (Art. 16.6) on the establishment of the certified Environmental Impact Assessment assessors registry.	June 2014		No progress and was not evaluated by the Troika (EIS Registry)
MoU 5.1.2.3.ix	To confirm progress in the area of environmental licensing, a review of the implementation of law 4014/2011 examining the degree to which licensing procedures have been simplified and shortened.	December 2013	The report on the implementation of Law 4014/2011, examining the degree to which licensing procedures have been simplified and shortened, has been submitted to EC/ECB/IMF. New deadline: March 2014.	
MoU 5.1.2.4	To improve waste management, the Government licenses at least two disposal sites for hazardous waste.	September 2013	At least two hazardous waste landfill (HWL) sites with an environmental license exist in Greece of which the one is in operation but only for asbestos waste. Given that this issue is directly linked to social and local acceptance, but also with individual initiative, it is extremely difficult to give a short timetable for completion. New deadline: June 2014.	No progress
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.	Law 4269/2014
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 .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 .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	Stage B1 for 10 regions. The South Aegean plan is at Stage A1 and hasn't been published yet on the

		F alance	expected to be completed by the end of March 2014. New deadline: March 2014 and April 2014 respectively.	MEECC website.
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.	Op. cit.
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:			The South Aegean spatial plan is at Stage A1 and hasn't been published yet on the MEECC website.
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.	Ongoing
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: April 2014.	Has not started yet
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.	Op. cit.
MoU 5.1.2.8.iii.d	The fourth phase for the legislation of the final proposal is completed.	June 2014	Action is expected to be completed by 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.	Forest laws 4280/2014 and 4315/2014
MoU 5.1.2.8.iv.b	Codifies legislation on parks, forests and forest lands.	December 2014		Op. cit. for forests and forest lands. The regulation regarding (national?) parks is still pending, with the goal yet to be defined.

2. Memorandum of Understanding for a three-year ESM programme

Despite the fact that the agreement with the EU Institutions was reached outside the period covered by this report, it is necessary to briefly summarize it due to its significance.

The reference basis for the "Third Memorandum" is law 4336/2015 "Provisions regarding pensions -Ratification of the Draft Agreement on the Financial Assistance by the European Stability Mechanism (ESM) regarding the implementation of the Financing Agreement" (Greek Government Gazette A' 94/14.08.2015).

Environment - Planning: The three-year programme agreed with the European Stability Mechanism (ESM) and approved as one paragraph in law 4336/2015, makes limited references to the environment. These are mostly revolved around the commitment that:

"The Government will adopt the pending OECD recommendations on environment and fuel trader licenses. In addition, by June 2016, the authorities will further reduce administrative burden, including through one-stop shops for business (key deliverable). By June 2016, the Government will fully implement the law on better regulation.

On competition, investment licensing and administrative burden the Government will by October 2015 launch an ex-post impact assessment of selected reforms and their implementation and identify by June 2016 the remaining measures needed for their full implementation (key deliverable)."⁶

The OECD recommendations for reducing the administrative burden in the Environment sector are discussed in the next section.

However, a strange provision regarding regional planning is particularly confusing, as it requires that the government make selective adjustments to the institutional framework for planning, "in order to effectively facilitate investments". In addition, in case an agreement between the government and the EU institutions is not reached, the former commits to implementing law 4269/2014 for regional and urban planning. This controversial provision is the following:

"On land use, by September 2015, the Government will reconvene the inter-ministerial spatial planning committee, with participation of the independent experts. Based on its advice and in agreement with the institutions, the Government will propose in October 2015 a timebound roadmap for selected improvements of the spatial planning law, including on parts of the land use categories, and for the full adoption of secondary legislation by June 2016 in order to ensure that the legislation effectively facilitates investment, and streamlines and shortens planning processes while allowing for the necessary safeguards. If there is no agreement on the necessary changes, the 2014 spatial planning law will be fully implemented (key deliverable)."⁷

Following the aforementioned provision, particular interest lies in point 52 of the Privatisation Programme-Government Pending Actions, which despite being annexed to law 4336/2015, wasn't published in Greece's Official Journal; instead, it was made public by German politician Sven Giegold, member of the European Parliament with the Alliance 90/The Greens party.⁸

Among the pending actions listed in the Privatization Programme lies the following provision:

"Any effort and/or other action aiming to undermine or cancel the existing legal status quo concerning the regional and planning legislation should be abolished (Law 4269/2014 Greek Official Journal A142/28--6--2014 and Law 4280/2014 Greek Official Journal A159/8□8--2014)".

This provision is beyond doubt poorly written and hard to interpret. However, by carefully reading it, one can draw that if the new institutional framework formed by the aforementioned legislation is implemented, then there might be an issue with the Natura 2000 sites (whose management measures are currently being institutionalized) that are included in the Hellenic Republic Asset Development Fund (HRADF) lists: if the provision of point 52 means that the - environmentally questionable - new institutional framework outweighs all other legislation related to HRADF properties, then that might imply that, for example, the currently pending management measures for the Natura 2000 sites will have to be adjusted to the related provisions, even if the latter are incompatible with protection purposes.

Energy: The outcome of the negotiations in the energy sector, which is presented in detail in the energy section of this report, is described in the final agreement of the 3rd Memorandum, which was voted on 14.08.2015 by the Greek Parliament as law 4336/2015, and includes numerous measures and extremely tight timetables. While it does not include a commitment to dismantling and privatising Greece's Public Power Corporation (PPC), it makes provisions for the privatization of the assets that belong to the HRADF since 31.12.2014, which include 17% of the PPC's shares, while it also

⁶ Law 4336/2015 (A' 94/14.08.2015). Part B', Paragraph C: Agreement on fiscal targets and structural reforms, sub. 4.2.

⁷ Law 4336/2014. Op. cit.

⁸ Hellenic Republic Asset Development Fund. (2015, 30 July). Asset development plan. List of pending actions. Downloaded from the website of European MP Sven Giegold: <u>http://www.sven-giegold.de/2015/leak-das-privatisierungsprogramm-in-griechenland/</u>

details the process for liberalizing the electricity market, which will limit the position that the PPC holds in it today. More specifically, from 1/1/2020 onwards it is forbidden for any company operating in the country's interconnected power system and network to produce or import, directly or indirectly, more than 50% of the total electricity produced and imported in Greece on an annual basis. Therefore, the 97% share that the PPC holds today will be approximately halved by 2020. An intermediate target is to reduce the PPC share by 25% by selling the electricity produced in the PPC's lignite and hydroelectric units to private companies, which in turn will resell it through their own invoices to households and the industry, using various auctions similar to NOME. If an agreement regarding the NOME model has not been reached by October 2015, new structural measures of an equivalent effect will need to be agreed.

In addition, the new Memorandum essentially favours RAE's (Regulatory Authority for Energy) proposal for reinstating the Cost Recovery Mechanism, as it imposes bypassing the forced operation of power stations below their variable cost. This change needs to take place by September 2015, along with finalising both the temporary and permanent mechanisms for capacity payments (known today as Capacity Availability Certificates), as well as initiating the natural gas market reform so as to provide all consumers with full eligibility to switch supplier by 2018. The interruptible contracts measure, as approved by the European Commission, has eventually been included in the new MOA, given a September 2015 implementation deadline. In addition, by that time all PPC tariffs will need to have been revised based on costs, including replacing the 20% discount for energy-intensive users with tariffs based on marginal generation costs, taking into account the consumption characteristics of customers that affect costs.

By October 2015 the Greek government needs to take irreversible steps for privatising the Independent Power Transmission Operator (IPTO) or to implement an alternative scheme, to review energy taxation, strengthen RAE's financial and operational independence and to transpose Directive 2012/27/EU on energy efficiency by adopting the legislation already submitted to Parliament.

Finally, by the end of 2015, the authorities will need to approve a new, economically sustainable framework for supporting renewable energy (RES), along with the approval of measures to improve energy efficiency using EU funds. Moreover, they will have to introduce a new plan for the upgrade of the electricity grids in order to improve performance, enhance interoperability and reduce costs for consumers.

3. OECD reports on reducing administrative burdens

The OECD report on measuring the administrative burdens that result from the current regulatory framework in 13 sectors was the result of a collaboration between the OECD Public Governance and Territorial Development Directorate and the Ministry of Administrative Reform and e-Government of the Hellenic Republic. The project, which was co-financed by the NSRF (National Strategic Reference Framework) 2007–2013, concludes with concrete proposals, as its title suggests.⁹ Their implementation is part of the commitments made by Greece as part of the new agreement with the European Union, making particular reference to the "pending recommendations of the OECD for the environment".¹⁰ As a result, the recommendations included in both the overall and the individual sector reports are guidelines for the country's economic development and the reconstruction of production during the period of implementation of the 3rd Economic Adjustment Programme.

The report examines the following sectors: 1) Agriculture and agricultural subsidies 2) Annual accounts/company Law 3) Energy 4) Environment 5) Fisheries 6) Food safety 7) Pharmaceutical legislation 8) Public procurement 9) Statistics 10) Tax law (VAT) 11) Telecommunications 12) Tourism 13) Working environment/employment relations.

Overall, the OECD report draws together important information as far as the licensing procedure for business activities is concerned, and points out a number of necessary reforms, some of which will increase transparency. What stands out however, is the complete lack of reference to a major issue regarding the country's competitiveness: the legal uncertainty, which is further aggravated by the

⁹ The reports were announced in May 2014, but were published in the OECD library on September 1st 2014, which lies within the period examined in the current report.

¹⁰ Law 4336/2015 (A' 94/14.08.2015). Part B, Paragraph C: Agreement on fiscal targets and structural reforms, sub. 4.2.

exceptionally low quality of legislation and lawmaking. While at some points there are recommendations made towards the codification of law, there is no mention of the continuous perforation and degradation of the current institutional framework as a result of tailor-made lawmaking, i.e. special arrangements and exceptions from the general rule on a case-by-case basis. The low quality of lawmaking is detrimental to creating legal insecurity, degrading the country's competitiveness and increasing the administrative burden for businesses, as the legal procedures for obtaining licenses, public services advice and studies are unclear in many sectors.

According to the report, most administrative burdens occur in the Tax Law - VAT (47% of the total), Company Law (18%), Public Procurement (12%), and Agriculture (9%) sectors. The percentage breakdown of administrative burdens is presented in the graph below.¹¹

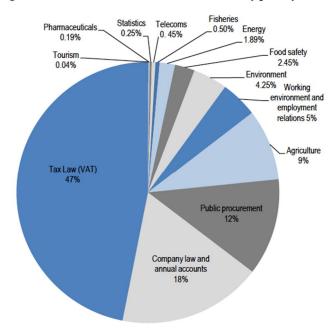


Figure 2.1. Total administrative burdens identified by priority area

Source: OECD (2014), data collected from the project on measuring administrative burdens in Greece.

OECD report on the environment: As far as the Environment sector is concerned, where 4.24% of the administrative burdens are attributed, the report points out that the overall level of administrative burdens and the number of businesses affected by it is "moderate" and that similarly medium is the priority that should be given to implementing the recommendations. It also implies that the bodies that took part in the consultation had different opinions¹²:

"The implementation of recommendations in the Environment area should be given medium priority because of the medium total level of administrative burdens and the number of businesses it affects. It would significantly simplify the process of environmental licensing and reduce high irritation stemming from the length of the process and its lack of clarity. Last but not least, it would lead to better enforcement of environmental policy and therefore better environment protection. Administrative simplification in the Environment area would also lead to more investments.

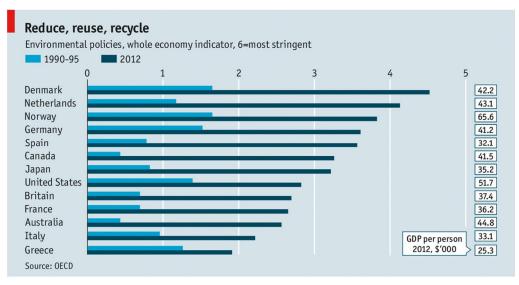
11 OECD. Op. cit. p. 26.

¹² OECD. Op. cit. p. 42.

Different and additional options and suggestions were made by stakeholders about obligations in the priority area Environment. These are included to provide additional material for the Greek government to consider further measures to simplify and reduce administrative burdens and irritation."

At this point, it is worth making reference to a recent OECD report that estimated the cost and benefits that result to the economies of the member countries of the Organisation from the stringency of environmental policies.¹³ With this important transnational analysis of the economic aspect of environmental policies, the OECD proves that the popular belief that regulatory arrangements for the protection of the environment are "costly" for the economy and for productivity is false.

The stringency of environmental policies in 15 member countries of the OECD is presented in the interesting graph of The Economist below.¹⁴ As is evident, some of the most competitive and productive economies, led by Denmark, the Netherlands, Norway and Germany, have the strictest environmental policies (particularly with regards to pollution, and emissions and waste management) with the highest economic costs.



The OECD report on the Environment sector concludes with the following recommendations, which Greece is obliged to implement according to law 4336/2015:

Recommendation	Calculated reduction in administrative burdens
Digitisation of the submission, tracking and evaluation process for the Environmental $\ensuremath{Permitting}$ (AEPO)*	EUR 2,741,805
Simplification of the AEPO modifications & renewals	EUR 2,101,407
Introduction of private external EIS reviewers	EUR 1,493,644
Digitisation of the AEPO reporting process	EUR 20,569,575

¹³ Botta, E. and T. Koźluk. (2014). "Measuring Environmental Policy Stringency in OECD Countries: A Composite Index Approach". OECD Economics Department Working Papers, No. 1177. OECD Publishing, Paris. DOI: http://dx.doi.org/10.1787/5jxrjnc45gvg-en

¹⁴ The Economist. (2015, 3 January). Green tape: Environmental regulations may not cost as much as governments and businesses fear. <u>http://www.economist.com/news/finance-and-economics/21637411-environmental-regulations-may-not-cost-much-governments-and-businesses</u>

Rationalisation of the hierarchy levels and training of public employees involved in the approval process	EUR 497,881
Completion of Spatial Planning	EUR 10,000,650
Streamlining of the license for solid waste collection, transportation and management	EUR 117,700
Determination of the seashore for the whole country's coastline by the state	EUR 1,716,719

Given the compact nature of these recommendations, their implementation lies with the government's responsibility. For example, the "Completion of Spatial Analysis" recommendation is explained explicitly, as its implementation depends on the actions planned by the ministries in charge, in collaboration with the EU Institutions. It is reminded that similarly devoid of content was the country's commitment for "completion of forestry and coastal maps" and "adopting legislation on coastal zones" ¹⁵, which the Greek government materialised into an environmentally criminal bill for coastlines and the seashore, and into two laws that degrade Forest Law and the institutional framework for forest protection overall (see chapter on forests).

OECD recommendations on energy: The energy sector is considered as of "medium priority", compared to the other 12 sectors of the economy examined in the report: the associated total administrative cost reaches EUR 79.13 million, 78% of which has been classified as administrative burdens.¹⁶ The recommendations of the Organization are not principally addressed to the actual content of the legislation itself, but rather to the administrative activities and burdens that result from it to the various stakeholders involved. In addition, despite the broad title of the study, it deals mostly with investments in Renewable Energy Sources (RES) and the licensing procedure for petroleum products. Finally, it should be noted that the data it is based on are outdated, as they date back to September 1st 2013.

The ministry in charge should seriously take into account an important number of these recommendations. Based on the information available today, its intention is to solemnly implement part of the OECD recommendations for petroleum products.¹⁷ However, some of the initiatives proposed can indeed reduce administrative costs, without jeopardizing the quality of the environmental licensing procedure, and without reducing the environmental information required for its completion. As such are considered the recommendations for the digitisation and standardisation of a large part of the evaluation and validation process for documents, which reduce the associated economic costs, the time consumed by employees and investors, and at the same time increase the transparency of the processes and the ability of the public authorities to monitor it. In addition, the ability to electronically pay fees and submit the associated documents should also be pushed forward. Similarly important are the measures to reduce the information provided that has either been already provided at an earlier stage or has already been made publicly available by the authorities.

On the other hand, it is deemed that if a number of OECD recommendations were to be implemented, they would have a detrimental effect on the quality of environmental licensing. For example, along with the establishment of a combined portal and a one-stop shop authority¹⁸, lies the danger of undermining local particularities, the overaccumulation of pending production licenses, the inability of the employees in charge to meet the demands within the timescales provided etc. Similarly, the plan to assign EIA evaluation to private external reviewers might lead to corruption, given the fact that EIAs are also issued by the private sector.

¹⁵ European Commission. (2014, April). The Second Economic Adjustment Programme for Greece – Fourth Review. Occasional papers 192. Brussels: European Union.

¹⁶ Administrative costs are defined as the costs incurred by businesses in meeting information obligations (IOs). The administrative burdens refer to information that is solely gathered for the purpose of the legal obligation, and combined with the "business-as usual" (BAU) costs they constitute the administrative costs on businesses.

¹⁷ See Financial Assistance Facility Agreement with the European Stability Mechanism and arrangements for materializing the Funding Agreement, Greek Official Journal 94 A'/14.08.2015.

¹⁸ A related service was first provisioned in law 3851/2010

The next steps that the Ministry in charge should take are to fully identify the problem as a first step (e.g. identifying cases of multiple requests for the same document on behalf of public authorities) and to prepare cost-benefit studies for implementing the recommendations, as the OECD report does not consider costs. In any case, in order to simplify the licensing process, it should first be examined whether certain processes can be moved at earlier stages or whether they can be merged, rather than abolishing them completely. Oversimplifying the regulations might lead to boosting opportunism in the RES sector.

It should be noted that the implementation basis for many of the recommended measures already exists, but it often needs to be expanded, intensified and its real-life application to be monitored.¹⁹ Moreover, some of them also address issues outside the scope of energy legislation, and are expected to offer wider benefits.²⁰

Reducing administrative burdens in the energy sector is paramount given the multiple obstacles that potential investors are faced with nowadays (constant changes in existing legislation, unstable economic environment, conflicts with local communities etc.). However, in order for it to be effective, it needs to be part of a comprehensive ambitious policy of promoting clean energy sources.

OECD report on tourism: As far as the tourism sector is concerned, the OECD identifies economic sustainability reports as the greatest administrative burden, pointing out that the recommendation deals with investment plans that do not call for government grants. In this context, the OECD recommends revising the legislation dealing with building "tourist infrastructure", such as car racing tracks, tourist sports centres, theme parks, as well as law 4014/2011 for environmental licensing.

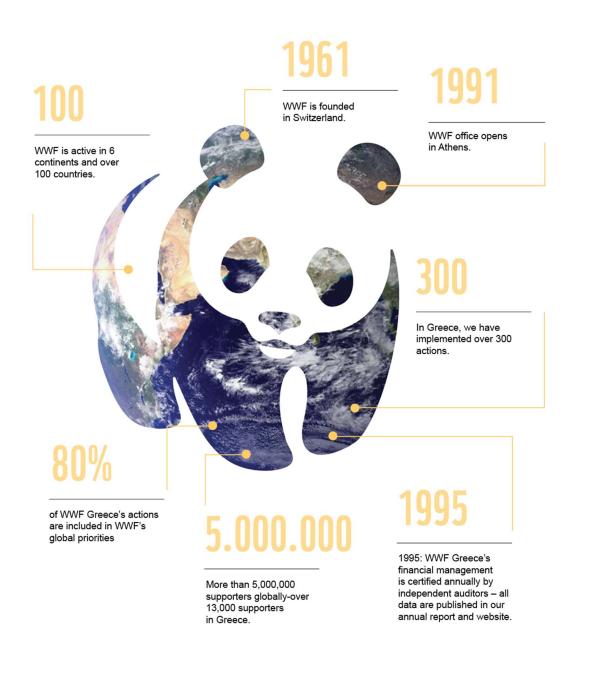
According to the report, the second priority is removing the requirements for excessive information as part of tourist land suitability approval. It also recommends aligning the environmental information requirements with the AEPO and making the opinion of the Green National Tourism Organisation (GNTO) on such developments an integral part of the environmental approval of the proposal, as currently there needs to be two GNTO opinions regarding land suitability for tourism development, in order to obtain license for the same investment plan.

In brief, the OECD recommendations for reducing the administrative burdens in the field of licensing tourism investments are the following:

Recommendation	Calculated reduction in administrative burdens
Removal of the economic and financial feasibility study for tourism developments	EUR 126,978
Align with touristic land suitability approval and environmental requirements the information on feasibility which must be submitted for tourism developments to obtain the opinion of EOT under the AEPO	EUR 130,058
Special operating licence for accommodation: notification rather than application	EUR 34,036
Accommodation classification: Simplification and periodic review of standards	EUR 35,537
Special operating sign for accommodation: Electronic submission of documents	EUR 78,169
Marina operations: Remove requirement to submit third party commercial contracts to the Ministry of Tourism	EUR 1,550
Marina operations: Notification of road traffic circulation	EUR 36,322

¹⁹ For example, the Electronic Environmental Registry, the "e-Fee" application of the Ministry of Economy for submitting payments electronically, the training courses, partially publishing licenses and decisions on the websites of governmental authorities etc.

 $^{^{\}rm 20}$ For example, completing Spatial Planning, creating an Archaeological Cadastre etc.





Why we are here.

To stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature.

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