

Case SG/E/2021/12

Case SG/E/2021/15

Case SG/E/2021/17

FLOOD PROTECTION MEASURES (Greece)

INITIAL ASSESSMENT REPORT

14 December 2021





Initial Assessment Report for cases

SG/E/2021/12,
SG/E/2021/15 and
SG/E/2021/17

Complaint confidential¹

No

External distribution

Complainants
Promoter

Internal distribution

Management Committee
Inspector General
Relevant EIB services

Disclaimer

This report is based on the information available to the EIB Group Complaints Mechanism up to 22 November 2021.

A Greek translation of this report is also available. In case of discrepancies between language versions, the English version prevails.

¹ The complaints are non-confidential, as the complainants did not indicate otherwise (in line with Section 4.6 of the EIB Group Complaints Mechanism Policy).

The EIB Group Complaints Mechanism

The European Investment Bank Group Complaints Mechanism (EIB-CM) is a tool enabling resolution of disputes in case any member of the public feels that the European Investment Bank (EIB) might have done something wrong, i.e. if it has committed an act of maladministration. The EIB-CM is not a legal enforcement mechanism and will not substitute the judgment of competent judicial authorities.

Maladministration means poor or failed administration. It occurs when the EIB fails to act in accordance with a rule or principle that is binding upon it, including its own policies, standards and procedures. The concept of maladministration includes failure by the EIB to comply with human rights, with applicable law, or with the principles of good administration. Maladministration may relate to the EIB Group's decisions, actions or omissions. This may include the environmental or social impacts of the EIB's projects and operations.

One of the main objectives of the EIB-CM is to ensure the right to be heard and the right to complain.

For more information on the EIB-CM please visit:

<https://www.eib.org/en/about/accountability/complaints/index.htm>.

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GLOSSARY

CSO	Civil society Organisation
EC	European Commission
EIA	Environmental impact assessment
EIB	European Investment Bank
EIB-CM	EIB Group Complaints Mechanism Division
ESDS	Environmental and Social Data Sheet
EU	European Union
NGO	Non-governmental organisation
Sub-project	Flood management measures implemented in the catchment area of the Erasinós stream / Erasinós flood protection scheme

EXECUTIVE SUMMARY

In July and September 2021, the EIB Group Complaints Mechanism (EIB-CM) received three complaints regarding a component of the “Flood protection measures” project in the catchment area of the Erasinos stream in the Attica region of Greece (hereinafter the “sub-project” or the “Erasinos flood protection scheme”). The complainants are one private individual and several environmental non-governmental organisations (NGOs)/civil society organisations (CSOs): OZON NGO, Erasinos Protection Initiative, Institutions and Movements for the Protection of Streams – Remattiki, and Hellenic Ornithological Society.

Following the admissibility of the complaints, the EIB-CM carried out an initial assessment in line with paragraph 2.2 of the EIB-CM Procedures. The objective of the initial assessment is to clarify the concerns raised by the complainants, understand their position and the validity of the concerns raised, and determine if further work by the EIB-CM is necessary and/or possible (investigation, compliance review or mediation between the parties) to address the allegation or resolve the issues raised by the complainant.

In light of the initial assessment and due to the technical nature of the concerns raised (related to environmental impacts and non-compliance with national and EU law), the EIB-CM deems it appropriate to carry out a compliance review of the allegations as presented in the table below.

Allegation	Description of the allegation
Allegation 1	Non-compliance of the Erasinos sub-project with national law: failure to correctly classify the protected areas concerned, failure to comply with the provisions of national law, failure to assess the impacts on an endemic and protected species of fish, financial compensation for resettlement, and start of works before the necessary documentation was obtained (i.e. Presidential Decree delimiting the area of the Erasinos).
Allegation 2	Non-compliance of the Erasinos sub-project with EU law: mainly the EIA Directive (including failure to adequately analyse alternatives, shortcomings of the data and the EIA report, failure to set appropriate mitigation and compensation measures), the Habitats Directive (e.g. failure to establish appropriate conservation objectives for the site in question and to carry out appropriate assessment in line with the Directive), the Water Framework Directive and the Floods Directive.
Allegation 3	Failure of the EIB to adequately assess the sub-project and comply with the EIB’s environmental and social standards and other commitments in the area of environment (e.g. the Environmental and Social Data Sheet contains some information that is not correct and/or not applicable to the Erasinos flood protection scheme).

The complainants request that the EIB financing be withdrawn from the sub-project in question and the resources reallocated to other eligible project(s) in Greece.

In accordance with Article 4.3.7 of the EIB Group Complaints Mechanism Policy, the EIB-CM cannot handle allegations of prohibited conduct. Therefore, the allegation related to illegal payments for land expropriation needed to implement the sub-project was handed over to the competent services of the EIB.

The compliance review will assess the complainants’ allegations in the context of potential Bank maladministration, as well as project documentation and the due diligence during appraisal and monitoring carried out by the Bank in relation to the complainants’ concerns as identified in this initial assessment report. The outcome of the compliance review will be communicated to the complainants through the EIB-CM’s conclusions report.

1 BACKGROUND INFORMATION

1.1 Project description

- 1.1.1 On 21 June 2019, the EIB Board of Directors approved financing of up to €150 million for an investment programme consisting of several flood protection sub-projects in Greece². The project includes ten flood protection schemes located in the regions of Attica, Central Macedonia and Peloponnese. The project stems from the investment priority “Application of strategies in response to climate change, protection and natural disasters management” under the “Transport Infrastructure, Environment and Sustainable Development” operational programme and is co-funded by the EU Structural Funds, the national budget and a loan from the Council of Europe Development Bank (CEB).
- 1.1.2 The borrower of the project is the Hellenic Republic through the Ministry of Finance and the promoter is the Ministry of Infrastructure and Transport / Directorate of flood protection works (D19) (hereinafter the “promoter”).
- 1.1.3 The scheme under the project³ which is the subject of the complaints and this initial assessment report concerns rehabilitation works to enhance the hydraulic capacity of the Erasinos stream (hereinafter the “sub-project” or the “Erasinos flood protection scheme”) and includes:
- The broadening of the Erasinos stream and reinforcement of its banks and bed;
 - The construction of a flood retention basin;
 - All relevant technical structures for entering, exiting and crossing existing road junctions.
- 1.1.4 The sub-project is located in the Attica region, south of Athens International Airport and within the river basin of the Erasinos stream (see the picture below). The sub-project is also located within a statutory protection zone, due to the presence of archaeological sites.
- 1.1.5 In September 2019, the finance contract for the entire project was signed between the EIB and the Hellenic Republic.

Picture 1: Sub-project location⁴



² The description of the project is available [here](#).

³ One of the ten flood protection schemes mentioned in paragraph 1.1.1.

⁴ The area of work is shown in blue and stretches along the Erasinos stream to its estuary into the Bay of Vravrona. Two-thirds of the project will be within the Vravrona - Paraktia Thalassia Zoni Natura 2000 site (GR3000004) – [N2K GR3000004 data form \(europa.eu\)](#).

2 COMPLAINTS

2.1 Overview of the complaints received

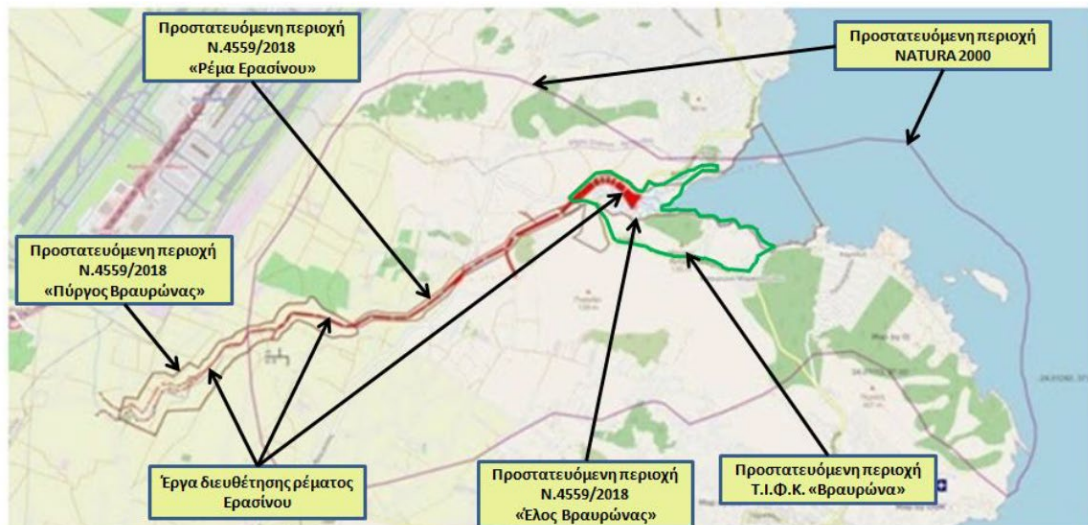
2.1.1 The EIB Group Complaints Mechanism Division (hereinafter the “EIB-CM”) received three complaints; two of them were submitted by NGOs/CSOs and one of them by a private individual. All three complaints presented issues and concerns about the sub-project as described above. The three complaints are grouped in this report, as the allegations and claims are to a large extent overlapping. A detailed description of each complaint is provided below⁵. The complaints were received on the following dates and registered as follows:

- 10 July 2021 (SG/E/2021/12),
- 23 July 2021 (SG/E/2021/15),
- 21 September 2021 (SG/E/2021/17)⁶.

2.1.2 Complaint SG/E/2021/12:

- The complainants believe that the Erasinos sub-project will have significant and irreversible negative impacts on an area of particular environmental importance, which is protected under three different protection regimes.
- The following map shows the location of the Erasinos flood protection scheme (framed by red lines) and protection zones as presented by the complainants.

Picture 2: The location and protection regimes applicable to the sub-project⁷



Προστατευόμενη περιοχή N.4559/2018 «Ρέμα Ερασίνου»	Protected area under Law 4559/2018 “Erasinos Stream”
Προστατευόμενη περιοχή N.4559/2018 «Πύργος Βραυρώνας»	Protected area under Law 4559/2018 “Pyrgos Vravronas”
Έργα διευθέτησης ρέματος Ερασίνου	Erasinos stream training works
Προστατευόμενη περιοχή N.4559/2018 «Έλος Βραυρώνας»	Protected area under Law 4559/2018 “Vravrona Marsh”

⁵ The description of the complaints is based on the original submissions to the EIB-CM as well as any additional information and/or documentation shared by the complainants during its calls with them and/or by email.

⁶ The complaint was initially sent to the Athens EIB office on 17 May 2021 and forwarded by the complainant in September 2021 directly to the EIB-CM.

⁷ The image was provided by the complainants and shows the combination of different protection regimes that are applicable. The green line indicates the boundaries of the Vravra AONB/Area of National Beauty (code AT2010018), the purple line indicates the boundaries of the Special Area of Conservation (Natura 2000 code GR3000004, Vravra - Paraktia Thalassia Zoni), the brown line indicates the protected areas under Law 4559/2018, and the red line indicates the planned works for the training of the Erasinos stream.

Προστατευόμενη περιοχή Τ.Ι.Φ.Κ « Βραυρώνα»	AONB "Vravrona" protected area
Προστατευόμενη περιοχή NATURA 2000	Natura 2000 protected area

- The complainants allege that the Erasinos flood protection scheme is implemented within a wetland area that has been protected under Law 4559/2018 since 2018. According to the complaint, Law 4559/2018 changed the environmental status of the area to a strictly protected area, which renders the environmental impact assessment (EIA) and the environmental terms approval decision for the downstream part of the sub-project (2017) outdated.
- The complainants point out that Law 4559/2018 delimited the three wetland sections of Erasinos, i.e. areas in which, according to Article 54: "until their delimitation in accordance with the provisions of Law 3937/2011 (Article 60), construction, filling, excavation activities that cause a disturbance, any activity that degrades their ecological status, as well as the issuance of building permits are prohibited."
- In February 2021, the complainants found out that the contractor had already conducted "sweeping excavations and clearance" of the riverbed within the protected Pyrgos Vravronas wetland over an area of 30 000 m², which in their view was in violation of national and EU laws. At that time, the Presidential Decree delimiting the stream had not been issued yet⁸ and there was no archaeological supervision, i.e. staff from the Ephorate of Antiquities of East Attica to supervise the works⁹.
- The complainants believe that environmental impacts in the Natura 2000 area were unassessed and consequently "no serious compensatory or biodiversity protection measures have been provided for [...]." According to the complainants, concerns brought forward in expert opinions were not considered during consultations. For instance, regarding the impact on the threatened endemic fish species Marathon minnow¹⁰, "until the latest study for the renewal of the [EIA] decision of the Erasinos stream training project from its estuary until downstream of the Attiki Odos works (detention dam), DAEE, 2017, the area is incorrectly referred to as a Special Protection Zone for Avifauna and not as a Special Area of Conservation; as a result, in the special ecological assessment¹¹ that accompanies it, [...] emphasis is placed on the impact of the project on species of avifauna and not on the species listed in Annex II of the Habitats Directive, one of which is the Marathon minnow."
- The complainants claim that the EIA report and procedure are not adequate and not in line with the EIA Directive¹², due to failure to adequately analyse and describe alternatives, errors and contradictory information, shortcomings of data included in the environmental impact assessment (mainly regarding species registration and the study on biodiversity and endangered species), and failure to set appropriate mitigation and compensation measures, amongst others.
- The complainants claim that the Erasinos flood protection scheme is not in line with the objectives of the Water Framework Directive¹³. The main arguments presented are that the area of intervention has no significant history of flooding events and does not pass through residential areas or areas of significant economic activity. They contest the sub-project's stated objective to protect the archaeological site of Vravrona from floods, but assume that the real motivation is based on economic interests.

⁸ The Presidential Decree delimiting the Erasinos was issued on 6 August 2021 and published in the Government Gazette, Issue No. 518. It is Decision Ref. 5/2020 of the Council of State rejecting an application for annulment of the announcement of the project entitled "Settlement of the Erasinos East Attica" that had reaffirmed the requirement for such a decree.

⁹ Note that environmental organisations and citizens' initiatives reported the illegal works to the Environmental Prosecutor's Office in March 2021, which is yet to examine the issue.

¹⁰ *Pelagius marathonicus* (lat).

¹¹ The environmental impact assessment is to be carried out in accordance with Law 4014/2011 on environmental licensing for projects and activities, Government Gazette 209/A/21-0-2011, as amended by Law 4685/20.

¹² Directive 2014/52/EU of 16 April 2014 amending Directive 2011/92/EU, as well as Directive 2011/92/EU itself.

¹³ Directive 2000/60/EC establishing a framework for Community action in the field of water policy (Water Framework Directive).

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- According to the complainants, the EIB’s Environmental and Social Data Sheet (ESDS)¹⁴ includes some incorrect statements regarding the Erasinos flood protection scheme. The alleged incorrect information published by the EIB in the Environmental and Social Data Sheet (e.g. reference to the absence of significant negative impacts on the environment) mainly stems from weaknesses in the environmental assessment report and procedures, and the consultation and stakeholder engagement process as presented above.
- The complainants allege non-compliance of the EIB with its public commitments and policies, including the EIB Statement of Environmental and Social Principles and Standards, and its objectives for climate change mitigation and the protection and restoration of biodiversity and ecosystems. According to the complainants, the Erasinos sub-project is contrary to the direction of the EU Biodiversity Strategy 2030.

2.1.3 Complaint SG/E/2021/15:

- The complainant states that the area along the Erasinos is protected against any human intervention by public law¹⁵. According to the complainant, large-scale works have already started in the area, without written permissions provided by the responsible ministries and without a Presidential Decree delimiting the river, as required by Greek national law. Furthermore, the complainant claims that no agreement was obtained by the Ephorate of Antiquities of East Attica, as stipulated by law.
- The complainant notes that the Erasinos is a Natura 2000 site. The Erasinos flood protection scheme is next to the ancient archaeological site of Vravra, the temple of Vravra Artemis and its museum. The complainant further questions the need for the sub-project, as the area is allegedly sparsely populated with limited agricultural activities. The complainant believes that the sub-project is motivated by economic development, which will transform the protected area already suffering from environmental effects “...to an urban type, thus allowing the construction of houses...”
- According to the complainant, the Environmental and Social Data Sheet contains erroneous and contradictory statements for the Erasinos sub-project (e.g. in relation to the broad range of stakeholder engagement, social benefits such as protection of lives, mitigation measures focusing on preserving and enhancing the natural vegetation, and the works having minor negative environmental outcomes).
- Finally, the complainant claims that some money was paid for resettlement in the area, even though nobody has had to be resettled so far because of the Erasinos flood protection scheme. Also, the households to be compensated could not be known before the issuance of the Presidential Decree delimiting the area also for the purpose of land expropriation.

2.1.4 Complaint SG/E/2021/17:

- The complainant alleges that the planned construction of the dam and encasing of approximately 9 km of the stream will degrade and destroy the natural habitat within the Natura 2000 protected site¹⁶ and will impact protected species of fauna, especially the endemic fish species Marathon minnow¹⁷. This species is in danger of extinction in this area and, according to the complainant, is listed in Annex II of Directive 92/43/EEC and considered “Endangered” according to the Red Book of Threatened Animals of Greece. According to the complainant, the environmental impact assessment and appropriate assessment have never studied the impacts on the endemic fish species, including when the validity of the EIA permit was extended.
- The complainant alleges that the sub-project is not in line with the national wetlands protection legislation¹⁸ and points to the fact that a Presidential Decree is needed to delimit the stream before any works can start. Contrary to this requirement, the expropriation of

¹⁴ Available [here](#).

¹⁵ Law 4559/2018 and Presidential Decree 199/2003.

¹⁶ Natura 2000 Network GR3000004/Vravra - Paraktia Thalassia Zoni.

¹⁷ *Pelagius marathonicus* (lat).

¹⁸ Law 4258/2014 (Government Gazette A/94/14.4.2014) and case law Council of State 5/2020, paragraphs 8 and 12.

riparian areas and payment of compensation, the signature of a contract with the contractor by the Ministry of Transport and Infrastructure and the start of excavations and works on wetland habitats and protected areas took place before the issuance of this decree. In addition, the complainant claims that the works are being carried out without the supervision of the Ephorate of Antiquities of East Attica, despite the fact that a large part of the Erasinos flood protection scheme is expected to fall within an area of high archaeological interest.

- The complainant alleges that the sub-project is in breach of various pieces of EU legislation:
 - Requirement of the Habitats Directive to establish site-specific conservation objectives in order to carry out Natura 2000 assessment. The complainant believes that the Greek authorities have not yet established those objectives; consequently, the impacts of the Erasinos flood protection scheme on the area according to the conservation objectives could not be properly assessed¹⁹.
 - The environmental impact assessment and the appropriate assessment on the protected site are seen as technically inadequate and the conclusions drawn are perceived as insufficiently based on available data and facts. According to the complainant, the sub-project will cause irreversible damage to protected habitats within the Special Area of Conservation.
 - The complainant states that the sub-project's rationale is outdated and not in line with the current EU Biodiversity Strategy for 2030, which aims to protect and restore wetlands.
 - The hydraulic delimitation/training study and the environmental impact assessment allegedly give insufficient consideration to the other possible measures described in the EIA Directive²⁰, such as the possibility to relocate structures, the effects of possible new flood defences in the upstream part of the basin, etc.
 - The Attica Water Department's flood risk management plans for the river drainage basins do not show any historic floods. The Erasinos flood protection scheme is allegedly located outside of an inhabited area and its economic and social benefits are exaggerated. The need for this flood protection measure is insufficiently demonstrated (no proper assessment of the risk of floods, no assessment of the total costs of flooding per area and no cost-benefit analysis of this sub-project). The basic preconditions of the Floods Directive for the assessment and management of flood risks were not met.

2.1.5 All three complaints request that the EIB withdraw its financing for the Erasinos sub-project and transfer the money to areas in Greece that are in real need of flood protection measures.

3 WORK PERFORMED

3.1 Applicable regulatory framework

3.1.1 The EIB-CM Policy²¹ and the EIB-CM Procedures²² require the EIB-CM to carry out an initial assessment of the complaint²³.

¹⁹ Article 6 of the Habitats Directive (92/43/EEC).

²⁰ Directive 2007/60/EC.

²¹ Available at: [EIB Group Complaints Mechanism Policy](#).

²² Available at: [EIB Group Complaints Mechanism Procedures](#).

²³ Please note that this complaint concerns the environmental impacts of an EIB-financed project. As noted in paragraph 2.1.2 of the EIB-CM Procedures, complaints related to environmental aspects of financed projects usually raise complex issues. For this reason, and because of the sensitivity of the relations involving the project promoter, national authorities, civil society organisations and project-affected people, particular attention needs to be paid to the specific processes regarding these types of complaints. In line with paragraph 2.1.3 of the EIB-CM

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3.1.2 The objective of the initial assessment is to clarify the concerns raised by the complainant(s), understand their position and the validity of the concerns raised, and determine if further work by the EIB-CM is necessary and/or possible in order to address the allegation or resolve the issues raised by the complainant²⁴. The further work may include a compliance review or collaborative resolutions process (e.g. mediation). This report contains the results of the EIB-CM's initial assessment.

3.1.3 Based on the initial assessment, the following standards are applicable to the project :

- Relevant national and EU environmental law such as the EIA Directive²⁵, Habitats Directive²⁶, Water Framework Directive²⁷ and Floods Directive²⁸.
- The EIB Statement of Environmental and Social Principles and Standards (2009)²⁹, the Environmental and Social Standards (2018)³⁰, and the Environmental and Social Handbook (Volume II, 2013³¹), including:
 - Standard 1: Assessment and management of environmental and social impacts and risks;
 - Standard 3: Biodiversity and ecosystems;
 - Standard 10: Stakeholder engagement.

3.2 Project documentation reviewed and work performed

3.2.1 As per the EIB-CM Procedures³², during the initial assessment the EIB-CM (i) identified EIB documents to be investigated during the compliance review based on an initial review, (ii) organised initial meetings with the EIB services³³, and (iii) contacted the complainants to further clarify their complaints and discuss the information and evidence provided up to that point³⁴. The online meetings with the complainants in October 2021 resulted in additional evidence being provided such as photos from the site (including photographs of the start and/or ongoing works) and maps.

3.2.2 The EIB-CM collected and studied the project documentation available to the EIB (e.g. the Environmental and Social Data Sheet, a full copy of the environmental impact assessment and its relevant annexes, documentation on the EIB's website, etc.), as well as the sub-project documentation produced as part of the EIB's appraisal and the EIB's correspondence. The EIB-CM gathered other documents and pieces of information relevant to the complaints and the Erasinos flood protection scheme.

3.2.3 The EIB-CM liaised with the EIB competent services to present the complainants' concerns, and to obtain clarifications and further documents regarding the sub-project, especially with regard to the national judicial proceedings as well as environmental due diligence and monitoring. The EIB services informed the EIB-CM of the following:

Procedures, for these types of complaints, the normal process is formally structured in two phases: an initial assessment phase and a compliance review or collaborative resolution process phase.

²⁴ Paragraph 2.2.1 of the EIB-CM Procedures.

²⁵ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (as amended by Directive 2014/52/EU).

²⁶ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora, as amended.

²⁷ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy, as amended.

²⁸ Directive 2007/60/EC of the European Parliament and of the Council of 23 October 2007 on the assessment and management of flood risks.

²⁹ The EIB Statement of Environmental and Social Principles and Standards (2009) is available [here](#) (in English).

³⁰ The EIB Environmental and Social Standards (2018) is available [here](#) (in English).

³¹ The EIB Environmental and Social Handbook (2013) is available [here](#) (in English).

³² Paragraph 2.2.2 of the EIB-CM Procedures.

³³ Kick-off meeting on 1 September 2021 and another meeting on 21 October 2021.

³⁴ Online meetings with the complainants took place on 24 September 2021 for SG/E/2021/12 and on 22 October 2021 for SG/E/2021/15 and SG/E/2021/17.

- The promoter received the Presidential Decree delimiting the Erasinós basin in August 2021, which has been forwarded to the EIB-CM.
- The promoter's response addressed to the managing authority of the EU grant (co-financier of the project) on certain issues raised in the complaints.
- The promoter's response to the EIB services on the point raised in all three complaints concerning the start of works before acquiring the necessary documentation i.e. the Presidential Decree delimiting the area of the Erasinós. There are no outstanding legal proceedings for the sub-project in question.
- The services have already started liaising with the promoter to get clarifications in relation to certain issues raised in the complaints. A meeting organised by the EIB services with the General Secretary of the Ministry of Environment and his support team took place on 16 November 2021 to discuss the non-compliance of national legislation with Article 6(1) of the Habitats Directive and its implications on the appropriate assessment performed for the Erasinós flood protection scheme.

3.2.4 Key points in the promoter's responses:

- Since the signing of the relevant contract (November 2020) and until at least 6 August 2021, the construction contractor, under the management of the supervising authority under the Ministry of Infrastructure and Transport³⁵, did not carry out any works relating to the sub-project, apart from some small-scale deforestation works on the upper part of the sub-project (started around 24 November 2020).
- On 26 January 2021, the supervising authority reminded/informed the contractor that it cannot proceed with works in the absence of archaeological supervision. On 5 April 2021, the supervising authority instructed the construction contractor not to execute any works on any part of the land for the purposes of the sub-project. The contractor was invited to resume works from 22 September 2021, but up to November there have been no requests for works' certification.
- Other works in the Erasinós stream catchment area are being carried out by former owners of expropriated land, e.g. logging. These are wrongly attributed to the contractor for the construction of the sub-project.
- There are deposits of quarry materials and fillings in the area, approximately from km 0+400 to km 0+000, outside the boundaries of protected areas, but which are not related to the project. The contractor was asked for an explanation.

3.2.5 The initial assessment phase does not aim to take a position on the complainants' allegations and information received from key stakeholders, including the promoter.

³⁵ The construction contract is managed by the Department of Construction Works in Athens of the Special Service for the Construction of Hydraulic and Port Infrastructure, which is under the Secretariat-General for Infrastructure at the Ministry of Infrastructure and Transport (the supervising authority).

4 WAY FORWARD

4.1 Summary of the allegations

- 4.1.1 The EIB-CM proposes a compliance review for the Erasinós sub-project in relation to the allegations as presented in the table below.

Allegation	Description of the allegation
Allegation 1	Non-compliance of the Erasinós sub-project with national law: failure to correctly classify the protected areas concerned, failure to comply with the provisions of national law, failure to assess the impact on an endemic and protected species of fish, financial compensation for resettlement, and start of works before the necessary documentation was obtained (i.e. Presidential Decree delimiting the area of the Erasinós).
Allegation 2	Non-compliance of the Erasinós sub-project with EU law: mainly the EIA Directive (including failure to adequately analyse alternatives, shortcomings of the data and the EIA report, failure to set appropriate mitigation and compensation measures), the Habitats Directive (e.g. failure to establish appropriate conservation objectives for the site in question and to carry out appropriate assessment in line with the Directive), the Water Framework Directive and the Floods Directive.
Allegation 3	Failure of the EIB to adequately assess the sub-project and comply with the EIB's environmental and social standards and other commitments in the area of environment (e.g. the Environmental and Social Data Sheet contains some information that is not correct and/or not applicable to the Erasinós flood protection scheme).

- 4.1.2 In accordance with Article 4.3.7 of the EIB Group Complaints Mechanism Policy, the EIB-CM cannot handle allegations of prohibited conduct. Therefore, the allegation related to illegal payments for land expropriation was handed over to the competent services of the EIB.

4.2 Way forward

- 4.2.1 The compliance review will assess the complainants' allegations in the context of potential Bank maladministration, including whether the Bank complied with the applicable regulatory framework and the EIB Group's own policies, procedures and standards. The compliance review will include an assessment of compliance of the Erasinós flood protection scheme with its applicable standards, including applicable environmental law. The review will assess the project documentation and the due diligence during appraisal and monitoring carried out by the EIB in the areas related to the complainants' concerns, as identified in this initial assessment report.
- 4.2.2 The additional information and documents provided (as referred to in section 3) will be further assessed as part of the background information for the compliance review.
- 4.2.3 The EIB-CM's findings will not replace a judicial review regarding the legality of the measures raised in the complainants' concerns³⁶.
- 4.2.4 The outcome of the compliance review will be communicated to the complainants through the EIB-CM's conclusions report.

³⁶ Paragraph 2.4.1 of the EIB-CM Procedures (2018)