



Luxembourg, 17 November 2022

## Environmental and Social Data Sheet

### Overview

Project Name:	EU FUNDS CO-FINANCING 2021-2027 (GR)
Project Number:	2022-0223
Country:	Greece
Project Description:	Co-financing of priority investments in the Hellenic Republic in the 2021-2027 programming period.
EIA required:	This is a multi-scheme operation. Some of the schemes may require an EIA under Annex I or Annex II of the EIA Directive.
Project included in Carbon Footprint Exercise <sup>1</sup> :	no

### Environmental and Social Assessment

#### Environmental Assessment

The Project will support priority multisector investments included in the EU Cohesion Policy Funds Operational Programmes for the 2021-2027 programming period (OPs), under the approved Greek Partnership Agreement 2021-2027. The Project will comprise schemes originated under the 13 regional OPs and the 8 sectoral OPs, with EIB supporting the Greek state budget contribution alongside private and other public co-financing. The investment programme is plan-led and well-embedded in the National Growth Plan.

The supported Operational Programmes foresee significant investments in the five main Cohesion Policy objectives, in particular: in energy efficiency and reduction of carbon emissions, as well as in digital transition, human capital and SMEs. The development of sustainable public transport will be pursued in major urban centres of the country. Moreover, several investments are expected for the protection of biodiversity. Greece has also taken a strong political commitment of closing down all the lignite power plants by 2028, thus contributing significantly to the EU and national climate neutrality targets. Finally, the Partnership Agreement marks a shift away from the road investments in favour of multi-modal and more sustainable transport. The shares of planned investments should approximately reach 23% in education and training, 16% in SME development, 13% in integrated territorial development, 11% in research, innovation and digital, 9% in water, wastewater and waste management, 8% in transport, 8% in natural resource use, management and protection, 6% in health, and the remaining 6% in energy.

<sup>1</sup> Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.



Luxembourg, 17 November 2022

The SEA Directive 2001/42/EC has been transposed in the Greek legislation via the Joint Ministerial Decision 107017/2006 “on the assessment of the effects of certain plans and programmes on the environment” (Gov. Gazette B 1225). All supported Operational Programmes are subject to the Strategic Environmental Assessment as defined in the SEA Directive.

Some of the schemes under this multi-scheme operation may fall under Annex I or Annex II of the EIA Directive 2014/52/EU (amending 2011/92/EU). The procedures for environmental licencing of projects were revised in 2011 (Law 4014/2011) in order to ensure higher environmental quality, reduction in administrative burdens, as well as the improvement in quality of environmental assessment reports and greater legal certainty. The law classifies projects in different categories (A1, A2, B) according to the severity of their effects on the environment in line with Annex I and Annex II of the EIA Directive and, depending on the scope, location and size of the projects, the competent authority for analysing the outcome of EIA studies is either the Ministry of Energy, Environment and Climate Change or the Departments of Environment and Environmental Planning in the Decentralised Administrations at the regional level.

Upon evaluation of the EIA, the competent environmental authority then issues an Approval of Environmental Terms Decision. The Special Agency for Environmental Inspections was established (G.G. 228/A/2001) with the responsibility to carry out audits and determine compliance with the Approved Environmental Terms of projects and activities of public, semi-public and the private sector across the country. Projects belonging to category B do not require an EIA but are still subject to Standard Environmental Commitments, which form an integral part of the required licenses that are required for their construction, installation and operation.

The Project has been assessed for Paris alignment and is considered to be aligned with both low carbon and resilience goals against the policies set out in the Climate Bank Roadmap (Annex 2) and/or associated guidance and other relevant documents.

Infrastructure investments under the Operational Programmes, with an expected duration of at least five years, will be subject to climate proofing, which is a process aimed at avoiding the vulnerability of infrastructure to potential long-term climate impacts, while ensuring that the energy efficiency first principle is respected and that the level of greenhouse gas emissions from a project is consistent with the climate neutrality objective by 2050. The climate proofing is to be based on the European Commission’s Communication 2021/C 373/01 on Technical Guidelines on the climate proofing of Tariffs 2021-2027<sup>2</sup>.

Furthermore, the ‘do no significant harm’ (DNSH) principle is applied in the project selection criteria, as per Regulation (EU) 2019/2088<sup>3</sup> setting out the principle of sustainable investment. At the programme level, the DNSH analysis of the Operational Programmes revealed that the measures planned thereunder are in line with the DNSH principle. At the underlying investment level the DNSH principle is to be assessed in the light of Commission Communication 2021/C 58/01 ‘Technical guidance on the application of the ‘do no significant harm’ principle in the context of the Recovery and Resilience Facility’<sup>4</sup> and, where appropriate, further relevant guidance.

<sup>2</sup> Communication from the European Commission 2021/C 373/01 Technical Guidelines on the climate proofing of Tariffs 2021-2027 (OJ C 373, 16.9.2021, p. 1–92).

<sup>3</sup> Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1–16).

<sup>4</sup> Communication from the European Commission 2021/C 58/01 Technical guidance on the application of the ‘do no significant harm’ principle in the context of the Recovery and Resilience Facility (OJ C 58, 18.2.2021, p. 1–30).



Luxembourg, 17 November 2022

Finally, the funded activities are consistent with the national and regional adaptation strategies and other climate policy documents in Greece related to transport, environment/biodiversity, public health, etc.

### **Social Assessment, where applicable**

The Project will contribute to strengthening secondary growth poles and reduce inequalities between people and between places throughout Greek territory. This will be achieved primarily by upgrading social infrastructure aiming at active inclusion, reducing income inequality, poverty and at-risk-of-poverty with a focus on child poverty, social exclusion and gender inequalities. Measures towards these aims include: i) ensuring increased access to quality basic and social goods and services, ii) actions to address the educational and housing segregation of the most vulnerable population groups, including children and iii) the development of family and community-based care services. In addition, modernisation and the creation of social protection infrastructure based on identified needs (including actions for tourism and culture) are expected to enhance growth, social inclusion and social innovation.

Finally, the Project will enable inhabitants of the just transition regions - Western Macedonia and Peloponnese - to address the social, employment, economic and environmental challenges arising from Greece's efforts to achieve the Union's 2030 energy and climate targets and the transition to a climate-neutral economy of the Union by 2050 under the Paris Agreement.

The Charter of Fundamental Rights and the United Nations Convention on Persons with Disabilities including the principles of gender equality, inclusion and non-discrimination have been applied over all successive phases of the Operational Programme implementation - programming, setting up management structure, project selection, and finally monitoring and control functions.

Gender equality is a dimension that is taken into account in the Partnership Agreement/new Programmes. The Programmes are obliged to indicate their specific objectives, which contribute to gender equality and the percentage they contribute. Although the gender equality notion is defined more easily under the European Social Fund + actions, it is defined under the ERDF projects and actions, as well. The Operational Programmes have taken into account the National Action Plan for Gender Equality 2021-2027 and a technical fiche from National Coordination Service for ESIF.

### **Public Consultation and Stakeholder Engagement**

The SEAs of the Operational Programmes as well the EIAs of the relevant underlying schemes are subject to the public consultations in line with SEA Directive (2001/42/EC) and EIA (2014/52/EU amending 2011/92/EU), as transposed into national law.

## **Conclusions and Recommendations**

The Project is a multi-scheme Structural Programme Loan. The Promoter (Ministry of Finance) will be required to act according to the provisions of the relevant EU Directives, including SEA (2001/42/EC), EIA (2014/52/EU amending 2011/92/EU), Habitats (92/43/EEC) and Birds (2009/147/EC) Directives and Water Framework Directive (2000/60/EC), as transposed into national law.

The Promoter shall store and keep all relevant environmental and social documentation relating to the sub-projects updated and available for review at the request of the Bank, including EIA



Luxembourg, 17 November 2022

and its Non-Technical Summary, Nature/Biodiversity Assessments or equivalent documents or other documents supporting compliance with the EU environmental acquis.

In case a scheme requires an EIA or an appropriate assessment or equivalent, the Promoter shall submit prior to allocation the full EIA report or appropriate assessment to the Bank for publication on its website.

The overall institutional capacity of the Promoter to manage the environmental and social issues is deemed Good. Given the nature of the operation and the procedures concerning EIA and nature protection put in place by the competent authorities in Greece, subject to the conditions mentioned above, the loan is acceptable in environmental and social terms.