

Environmental and Social Data Sheet

Overview

Project Name:	GREEK REGIONAL AIRPORTS PPP – Stage 1
Project Number:	20140095
Country:	GREECE
Project Description:	The project comprises the financing, design and construction of the upgrade of fourteen airports in Greece (including the expansion of six of them) which are to be privatized by the Greek Government under the terms of a 40 year upgrade, maintenance, management and operating concession. The concession is being tendered in two separate clusters of seven airports each where prequalified bidders may bid for either or both clusters. The upgrade works represent the anticipated 'Imminent Works' requirements (to be part-financed under the project) that are aimed at alleviating existing capacity shortfalls and addressing current service level deficiencies. The Imminent Works are expected to be implemented over a total period of 48 months from financial close.
EIA required:	To be assessed during Stage 2 Appraisal
Project included in Carbon Footprint Exercise ¹ :	No.

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The National Airports Policy Report (NAPR) makes reference to and recognises the importance of environmental considerations in airport development in Greece.

With regard to the airports involved in the project, the pre-existing Environmental Terms have now expired, or are about to expire, and as part of the tendering process the Grantor has prepared new Environmental Studies that are currently under examination by the Ministry of Environment, Energy and Climate Change. These studies are based on a level of development at each airport that is driven by prior proposals prepared by the Hellenic Civil Aviation Authority (HCAA). In most cases these proposals appear to exceed the level of development the Bank's services believe are likely to be required and that the successful concessionaire will eventually have to construct.

The Environmental Studies prepared by the Grantor are likely to mean further impact assessment is limited but under the terms of the Concession Agreement, the Concessionaire will have to ensure that any works set out in each approved Master Plan comply with the new permits. There will need to be a comprehensive reconciliation in this regard and should there be any proposals not permitted then the Concessionaire will have to seek an amendment or extension to the permit and follow due procedure in doing so.

As the environmental decisions are expected to be released by the Ministry before bid submission, the competing consortia, having already had access to the Environmental Studies will have had the opportunity to reconcile the content of both the Studies and the

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

decisions against their own proposals and make allowances accordingly for any omissions or any significant mitigation measures arising.

At this stage, there would appear to be nothing obvious in environmental or social terms that would in principle make the project unacceptable for EIB financing. However, this will need to be assessed at an individual airport level once the works within the concessionaire's Approved Master Plans are reconciled against the content of the environmental decisions. Until such time the following general condition will be applied:

“Prior to disbursement against the relevant items, the successful concessionaire shall provide, in accordance with the terms of the Concession Agreement, evidence satisfactory to the Bank that the necessary environmental permits are in place and that any environmental and social issues have been adequately consulted on and dealt with. This shall include the submission to the Bank of the relevant declarations by the Ministry of Environment, Energy and Climate Change that the impacts on nature conservation sites are acceptable.”

Environmental and Social Assessment

Environmental Assessment

Terminal expansions are expected at six of the fourteen airports, namely:

- Cluster A – Thessaloniki and Kefallinia; and
- Cluster B – Rodos, Kos, Mitlini and Santorini.

All of these airports are situated close to or immediately adjacent to the sea and, with the exception of Thessaloniki, are island airports. The potential construction impacts on coastal areas and biodiversity will need to have been carefully considered, together with the longer term impacts associated with increasing traffic demand.

Social Assessment, where applicable

It is understood that there are no significant social impacts associated with the Imminent Works requirements. At Kos, there is a church immediately adjacent to the existing terminal which may be affected by any terminal expansion. This will be reviewed during Stage 2 Appraisal, when the precise detail of the development work to be undertaken will become apparent.

Public Consultation and Stakeholder Engagement, where required

The extent to which there was an adequate level of public consultation during the course of the environmental assessment work undertaken by the Grantor will be reviewed during Stage 2 Appraisal. Public consultation for any works that may not have been permitted will also be required.

The successful concessionaire's approach to environmental matters, their environmental management systems and their track record in protecting the environment will also be a feature of Stage 2 appraisal.