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**Provisions of Law
no 4685/2020**

**Legislation
amendments on
the Renewable
Energy licensing
procedure**

**Special provisions
for PV stations**

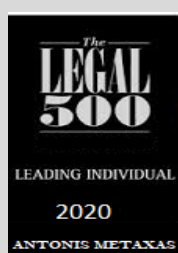
**Deadlines
extensions**

MAY 2020 CLIENTS ALERT

**The new energy and
environmental law
in Greece**

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The increasing investment interest in the Renewable Energy sector, together with the promotion of renewable energy as the main form of electricity generation, is fully in line with the objectives set by both the NSC and the European Union's energy and climate policy. These, combined with chronic administrative difficulties, have led to the need for reform in the legal framework that governs the licensing of RES & CHP electricity generation stations.

The Greek Parliament recently set into force Law 4685/2020, the provisions of which introduce a significant reform in the licensing procedures in regard to their simplification, promotion and creation of a safer investing environment.

Basic Provisions of Law 4685/2020

Law 4685/2020 has now come into force, focusing primarily on the fundamental reform of the energy licensing and regulatory framework (mainly regarding renewables) and the simplification of environmental licensing procedures. The law aims at the protection of the natural environment, ensuring sustainable development, while terminating Greece's energy dependency on coal/fossil fuels. The Law reforms the existing legal framework harmonizing it with EU Law and particularly with the "European Green Deal", while it covers a broad range of environmental issues, some of which are the following:

The production license for RES projects is replaced by a 'Certification of RES Producer' and RES projects are categorized as special or non-special projects

Environmental Licencing, Amendments of Law 4014/2011:

The Greek government, seeking a balance between the protection of the environment, in compliance with the European Environmental Regulation and the need of constructing a safe investing environment and promoting green investments, added the following provisions for simplifying the time-consuming administrative procedure of issuing the Environmental Conditions Approval Decision (AEPO). The basic provisions that promote the overall simplification strategy are the following:

1. Extension of the duration of the AEPO for up to 15 years.
The above extension concerns the AEPO that were in force at the time of entry into force of the law.
2. Acceleration of the administrative process needed for the issuance of the environmental license, by establishing exclusive deadlines for the competent authorities to review the submitted environmental studies.
3. In cases where an authority does not comply with the relevant deadline, then the issue of the AEPO is examined within 20 days either by the Central or the Regional Council of Environmental Licensing.
4. Increase of the exemption limit for the obligation to issue environmental terms from 0.5 MWp to 1 MWp and, at the same time, a repeal of the regulation which stipulated the condition for obtaining environmental terms (EPO), concerning stations established within less than 150 meters from RES stations of the same technology, provided that their cumulative power does not exceed 1 MWp.
5. Simplification of the renewal and/or modification procedure of already issued AEPOs.

In conclusion, the ambition of the new legal framework for the environmental licensing is to reduce the completion time of the administrative procedure within three months from the submission of the investor's application.

Legislation amendments on the renewable energy licensing procedure:

In order to achieve the goal of green growth and the aim of attracting investments, Law 4685/2020 introduces important arrangements concerning the licensing of RES projects. The strategy of the government is to adopt a safe, rapid, and digitised licensing procedure.

The legal framework after the entry into force of Law 4685/2020, is the following:

1. The production license for RES projects is replaced by a 'Certification of RES Producer'.
2. The RES projects are categorized as special or non-special projects.
3. Special projects include offshore wind farms, clusters of wind farms of a total capacity exceeding 150MW, solar thermal stations on non-interconnected islands, hybrid stations, geothermal stations, etc.
4. The application for the Certification of RES Producer and the Certificate, takes place digitally, following the establishment of an Electronic Registry.
5. Establishment of an evaluation procedure based on specific criteria's (i.e. the financing and technical capacity, the energy productivity and capacity of the project, etc.)
6. Establishment of three licensing rounds. Applications may be submitted within the first 10 days of each February, June, and October. The new licencing rounds are set into force in October 2020.
7. Reduction of the application fee reaching a maximum of 12.000 euro, combined with an Issuance Fee for the initial certificate.
8. The Issuance fee is calculated in relation to the capacity:

Capacity	Issuance Fee
≤ 1MW	3.000 euro/MW
2 -10 MW	2.500 euro/MW
10-50 MW	2.000 euro/MW
50-100 MW	1.500 euro/MW
≥ 100 MW	1.000 euro/MW

9. The fee is paid in two instalments. The first instalment is due within twenty days from the notification on the issuance of the Certificate and the second within one year after the issuance of the Certificate.
10. Pending applications will pay a reduced fee, depending on the date of the relevant application.
11. Introduction of milestones to guarantee the implementation of the investment. If the project does not meet these deadlines, the Certification of RES producer is cancelled.
12. The above deadlines can be extended for additional 24 months if the project company pays a fee of 150€/MW/month.

The law aims at the protection of the natural environment, ensuring sustainable development, while terminating Greece's energy dependency on coal/fossil fuels.

Special provisions for PV stations

Law 4685/2020 introduces special provisions concerning PV stations due to the increasing investment interest on these particular RES projects. The most significant amendments of the legal framework are summarized below:

1. Exemption from the obligation of demarcation of streams that border with the RES project establishment area.
2. Introduction of the possibility to install PV stations in Natura 2000 areas. After the entry into force of the law, PV stations are allowed to be installed both in the habitat and species management zone and in the sustainable natural resources management zone.
3. Abolishment of the exceptional possibility of installing PV stations in high productivity lands if they have a face on national, provincial, and municipal road.
4. Increase in the price of compensation for old agricultural photovoltaics. The surcharge is set at 15% of the prices specified in Law 4524/2014 with a limit of not exceeding the corresponding compensation price that was valid on January 1, 2014.

The target of the new legal framework for the environmental licensing, is to reduce the completion time of the administrative procedure within three months from the submission of the investor's application

Deadline extensions:

Finally, another significant aspect of Law 4685/2020 is the extension granted in series of deadlines, summarized below:

- 4-month extension for the validity of the installation permits and the final connection offers that expire between January 1, 2020 - December 31, 2021.
- 4-month extension for the placement in trial operation of RES stations selected through competitive procedures, where the period between January 1, 2020, and December 31, 2021, is set as the time limit for the initiation of their operation.
- Extension of the date on which the new reference prices will be applied for projects and activities outside the tender procedures so that if the next tender takes place in early July, the current reference price will be valid until the beginning of November.

For further information you may contact:



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*Our Firm has been ranked
for a third consecutive year on the top position of the
Legal 500 EMEA and the Chambers Europe rankings*

