Court of Justice of the European Union PRESS RELEASE No 126/15

Luxembourg, 15 October 2015



Press and Information

Judgment in Case C-167/14 Commission v Greece

Because of its delay in implementing the directive on urban waste water treatment, Greece is ordered to pay a fixed sum of €10 million and a periodic fine of €3.64 million per semester of delay

The Court had already made an initial ruling that Greece had failed to fulfil its obligations in a judgment dating from 2007

An EU directive¹ seeks to protect the environment from the adverse effects caused by the discharge of urban waste water (domestic water and industrial waste water). This directive provides, among other things, that the Member States had to ensure that all agglomerations with a 'population equivalent'² of over 15 000 were equipped with collecting systems for urban waste water by 31 December 2000 at the latest. Furthermore, these agglomerations were required to treat urban waste water prior to discharge.

As it took the view that 24 Greek agglomerations with a population equivalent of over 15 000 were equipped with neither collecting systems for urban waste water nor treatment systems, the Commission in 2006 brought an action before the Court of Justice against Greece for failure to fulfil obligations. By a judgment of 25 October 2007³ the Court found that Greece had failed to fulfil its obligations on the ground that 23 agglomerations were still not equipped with systems for collecting and/or treating urban waste water.

Finding that Greece had still not complied with the 2007 judgment in six of the 23 agglomerations concerned (namely, the agglomerations of Lefkimmi, Markopoulo, Koropi, Nea Makri, Rafina and Artemida) the Commission decided in 2014 to bring a further action against Greece for failure to fulfil its obligations. In this context the Commission requests that the Court order Greece to pay to it a periodic fine of €47 462.40 for each day of delay in complying with the 2007 judgment and a fixed sum of €5 191.20 per day from the date of the 2007 judgment to that of full compliance with it.

By today's judgment the Court finds that Greece has failed in its obligation to comply with the **2007 judgment in so far as**, by the expiry of the period fixed by the Commission for compliance with that judgment (25 April 2011), the six agglomerations concerned had still not been equipped with systems for collecting or treating urban waste water.

In order to ensure full compliance with the 2007 judgment, the Court has decided to impose on Greece **pecuniary sanctions** in the form of a periodic fine and a fixed sum payment.

With regard to **the periodic fine**, the Court takes the view that the absence or insufficiency of systems for collecting or treating urban waste water is likely to have an adverse effect on the environment and is thus to be regarded as particularly severe. However, the Court notes as a mitigating factor that, given the relatively small number of agglomerations that have still not been brought into compliance, the damage to the environment is less significant than what was found to be the case in 2007. Furthermore, the Court takes into account the efforts already undertaken by Greece and acknowledged by the Commission.

¹ Council Directive 91/271/EEC of 21 May 1991 concerning urban waste water treatment (OJ 1991 L 135, p. 40).

²The concept of a 'population equivalent' is a unit corresponding to the average pollution produced each day by an inhabitant.

³Case <u>C-440/06</u> Commission v Greece.

Also for the purposes of calculating the periodic fine, the Court finds that the duration of the infringement alleged against Greece is considerable, namely almost eight years from the date of delivery of the 2007 judgment. Finally, the Court takes into consideration the reduced payment capacity of Greece, the gross domestic product of which has fallen since 2007. For all of these reasons the Court considers it appropriate to impose on Greece, as from today, a **sliding-scale periodic fine of €20 000 per day**, corresponding to **€3.64 million per semester of delay**, the actual amount of the fine to be calculated every six months, taking account each time of the number of population-equivalent agglomerations which have been brought into compliance with the 2007 judgment.

As for the **fixed sum**, which is designed to ensure that future repetition of similar infringements of EU law is effectively prevented, the Court considers it appropriate, for substantially the same reasons as those which led to the imposition of the periodic fine, to require Greece to pay a sum of **€10 million**.

NOTE: An action for failure to fulfil obligations directed against a Member State which has failed to comply with its obligations under European Union law may be brought by the Commission or by another Member State. If the Court of Justice finds that there has been a failure to fulfil obligations, the Member State concerned must comply with the Court's judgment without delay.

Where the Commission considers that the Member State has not complied with the judgment, it may bring a further action seeking financial penalties. However, if measures transposing a directive have not been notified to the Commission, the Court of Justice can, on a proposal from the Commission, impose penalties at the stage of the initial judgment.

Unofficial document for media use, not binding on the Court of Justice. The <u>full text</u> of the judgment is published on the CURIA website on the day of delivery. Press contact: Christopher Fretwell **2** (+352) 4303 3355