Court of Justice of the European Union PRESS RELEASE No 17/18

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Press and Information

Judgment in Case C-328/16 Commission v Greece

Greece is ordered to pay a lump sum of €5 million and a sliding-scale periodic penalty payment of €3.28 million for each six-month period of delay for having delayed the implementation of EU law on urban waste water treatment,

The Court had already established Greece's failure to fulfil obligations for the first time in a judgment in 2004

By judgment of 24 June 2004,¹ the Court of Justice held that, by not taking the measures necessary for the installation of a collecting system for urban waste water from the Thriasio Pedio area to the west of Athens, and not subjecting the urban waste water from that area to treatment more stringent than secondary treatment before its discharge into the sensitive area of the Gulf of Eleusina, Greece failed to fulfil its obligations under the directive on urban waste water treatment.²

In the context of supervision of the implementation of the 2004 judgment, the Commission considered that there had not been full compliance with the requirements of that judgment. In those circumstances, the Commission brought a second action for failure to fulfil obligations before the Court, seeking the imposition of pecuniary penalties against Greece.

In today's judgment, the Court finds that **Greece did not fully comply with its obligations under the judgment of 2004**. Accordingly, on 7 July 2010, the deadline set by the Commission, the urban waste water of the Thriasio Pedio area was not yet collected and subjected to treatment in accordance with the requirements of the directive, before being discharged into the sensitive area of the Gulf of Eleusina. An urban waste water treatment plant was constructed after that date (it was not completed until 7 April 2011) and that plant was not operational, other than during experimental periods, until 27 November 2012. Furthermore, the secondary collection network has not yet been fully completed (the Lower Eleusina section, in the Eleusina agglomeration, does not have such a network) and nearly half of the population of the Thriasio Pedio area is not yet connected to the tertiary network.

The Court considers that the order imposing a penalty payment constitutes an appropriate financial means by which to induce Greece to take the measures necessary to ensure full compliance with the judgment of 2004. In that regard, it finds that the delay of almost 20 years that Greece has taken to bring the installations concerned into compliance with the directive (which compliance should have been achieved by 31 December 1998 at the latest) is an aggravating factor, although it is noted that the situation in the Thriasio Pedio area has improved as compared to that prevailing when the infringement proceedings, which gave rise to the 2004 judgment, were brought and that it is appropriate to take into account the mitigating factor linked to the important archaeological heritage which this area is home to and the difficulties invoked by Greece in that regard, as well as that Member State's reduced ability to pay as a result of the economic crisis which it experienced. **The Court therefore considers it appropriate to order Greece to pay, between now and the complete implementation of the 2004 judgment, a six-monthly penalty payment of €3 276 000 for each six-month period of delay. The actual amount of that sliding-scale penalty**

¹ Case: <u>C-119/02</u> Commission v Greece.

² Council Directive 91/271/EEC of 21 May 1991 concerning urban waste-water treatment (OJ 1991 L 135, p. 40), as amended by Commission Directive 98/15/EC of 27 February 1998 (OJ 1998 L 67, p. 29).

payment is to be calculated at the end of each six-month period, after deduction in respect of progress made in the meantime.

In addition, the Court considers it appropriate, in particular taking into consideration the mitigating circumstances put forward by Greece, to order the latter to pay into the budget of the EU a **lump** sum of €5 million in order to prevent similar infringements of EU law from recurring in the future).

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.

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