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OVERVIEW OF THE REGULATORY FRAMEWORK FOR GEOTHERMAL ENERGY IN GREECE

Overview of the Regulatory Framework for Geothermal Energy in Greece

- ❖ **This Memo is essential for:** Stakeholders engaged in energy production, investment, and policymaking.
- ❖ **Geothermal Energy Benefits:** Is a reliable, environmentally renewable energy resource of low operating costs and a minimal land CO2 footprint that can be harnessed by a large-scale power generation and small-scale heating and cooling solutions.
- ❖ **Next steps:** The main changes brought by the Special Spatial Plan of RES, which was submitted in mid-October to the Ministry of Environment and Energy, will be published in the near future for public consultation.

I. Introduction

In the context of Greece's dynamic energy sector, a review of the regulatory framework for geothermal energy and renewable energy sources (RES) is essential for stakeholders engaged in energy production, investment, and policymaking. This memo outlines the existing legal structure and anticipatory changes that are set to shape the future of energy in Greece.

II. Legal Framework for Geothermal Energy





The governance of geothermal energy in Greece is governed in Law 4602/2019 modernized the regulatory framework for geothermal energy and replaced Law 3175/2003 (Government Gazette A' 207). Further, it has been introduced the new regulatory framework for the utilization of geothermal energy both high and low temperature, introducing a robust framework for the exploitation and development of geothermal resources.

In addition, the Ministry of Environment and Energy, following the issuance of two Ministerial Decisions, plays a central role in the context of geothermal energy and the implementation of the above law, ensuring that the exploration and exploitation of geothermal energy complies with regulatory standards (Regulation of geothermal works - Government Gazette B' 1960/2021), and, that specific terms are provided and complied with, as well as a procedure for leasing exploration rights, exploitation and management in geothermal fields of national interest and non-designated areas (Government Gazette B' 1460/2022). The issued Ministerial Decisions establish innovative regulations regarding the proper and sustainable exploitation of geothermal potential, the transparency of tendering procedures, as well as investment incentives regarding the encouragement of investments and development of RES.

III. Anticipated Legal Changes in Renewable Energy Sector

The new spatial planning framework for RES aims to streamline the installation process, particularly for small-scale photovoltaic projects. By reducing bureaucratic barriers and safeguarding culturally and environmentally sensitive areas, the framework seeks to foster a responsible expansion of RES. The anticipated zoning regulations will ensure that energy projects do not compromise the ecological integrity or the historical heritage of the designated areas.¹

Looking ahead, the spatial planning framework for RES is poised for significant updates. These changes are motivated by the need to integrate advanced technologies and accommodate environmental considerations. Further, a key aspect of the proposed revisions is the introduction of enhanced environmental protections, including the establishment of wider exclusion zones and the requirement for energy storage systems to balance grid demand.

IV. RES Spatial Planning in Crete

¹ *The new special spatial plan for RES (SEP-RES). The blockades and areas receiving wind and photovoltaics. Geothermal energy and mining activity, Greek Mineral Wealth, available at <https://www.oryktosploutos.net/2023/11/%CE%B5%CE%BA%CF%84%CF%8C%CF%82-%CF%80%CE%B5%CF%81%CE%B9%CE%BF%CF%87%CF%8E%CE%BD-%CF%84%CE%BF%CF%85%CF%81%CE%B9%CF%83%CF%84%CE%B9%CE%BA%CE%AE%CF%82-%CE%B1%CE%BD%CE%AC%CF%80%CF%84%CF%85%CE%BE%CE%B7/>.*





In addition to nationwide updates, specific regions such as Crete are receiving focused attention. The island's inclusion in the Special Framework for Spatial Planning of RES underscores its potential for wind energy development, while the designation of numerous Wind Priority Areas reflects a strategic move to harness the island's natural resources while contributing to Greece's broader energy goals.²

V. Conclusion

The regulatory environment for geothermal and renewable energy in Greece is evolving to foster sustainable development while protecting the country's rich natural and cultural heritage. The proposed changes to the spatial planning framework for RES reflect a balanced approach to energy production and environmental stewardship and the final version of the new legal framework will be soon open to public consultation, updating the steps of the necessary administrative procedures towards the facilitation of viable geothermal projects.

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² *Spatial planning of RES: Where investments are allowed and where not - What applies to tourist zones, Attica, islands - See the map with the 68 "Wind Priority Areas"*, Energypress, available at [\[https://energypress.gr/news/horotaxiko-ton-ape-poy-epitrepontai-ependyseis-kai-poy-ohi-ti-ishyei-gia-toyristikes-zones\]](https://energypress.gr/news/horotaxiko-ton-ape-poy-epitrepontai-ependyseis-kai-poy-ohi-ti-ishyei-gia-toyristikes-zones).

