



4 July 2025

Law 5197/2025 New Building Regulation Clarifications

By virtue of the provisions of Law 5197/2025, a series of matters related to the implementation of the incentives under the New Building Regulation (the “NBR”) is aimed to be resolved.

Article 1 of the NBR (Law 4067/2012) was supplemented with a provision stating that the established incentives and bonuses may now be applied only if they are integrated into the Local and Special Urban Plans through the designation of incentive zones.



Corresponding provisions were made regarding the revision of building permits that have been issued under the above provisions using these incentives.

Permits issued up to December 11, 2024, for which construction has not started

Building permits issued using the incentives and bonuses, up to December 11, 2024 and for which construction had not commenced by that date, may only be implemented after they are revised to remove those incentives.

Permits issued up to December 11, 2024, for which construction had already started

For revised permits where construction had already begun by December 11, 2024 the use of incentives and bonuses before the revision remains valid. The extension of the use of incentives via the revision is not allowed, unless such extension can be counted towards urban planning limits according to the provisions in force at the time of the revision. No taxes, contributions, or deductions are paid and previously paid amounts are refunded.



Establishment of an Environmental Equivalent

An Environmental Equivalent mechanism is established and is applicable under certain conditions to offset the use of incentives and bonuses for building permits that:

- are annulled by court decision or are under appeal, *provided that* construction had commenced by December 11, 2024, and
- were issued by December 11, 2024 and for which an application for inclusion in a programme funded by the Recovery and Resilience Fund or the Partnership Agreement for Regional Development had been submitted by the same date, subject to approval of the application.

Implementation of such building permits is allowed upon approval of a Special Environmental Equivalent Plan for Urban Upgrading (S.E.E.P.U.U.) and payment of the environmental equivalent.

The Environmental Equivalent includes payment of a fee into a special account at the Deposits and Loans Fund in favor of the relevant municipality and adoption of **measures** specified in the S.E.E.P.U.U.

These *measures* may include, among others:

- Priority acquisition by the State of real estate via purchase or expropriation to designate public spaces ensuring maximum environmental quality.
- Creation, redevelopment, improvement, and upgrading of existing public spaces within the urban fabric, including underground parking facilities.
- Creation and enhancement of networks of public spaces and green interventions within the urban environment.



Dimitris Spyridakis
Lawyer | Chief of Stakeholders Engagement
dspyridakis@saranti-partners.com
T: +302120216569

*This publication is provided for general informational purposes only
and does not constitute legal or other professional advice.*