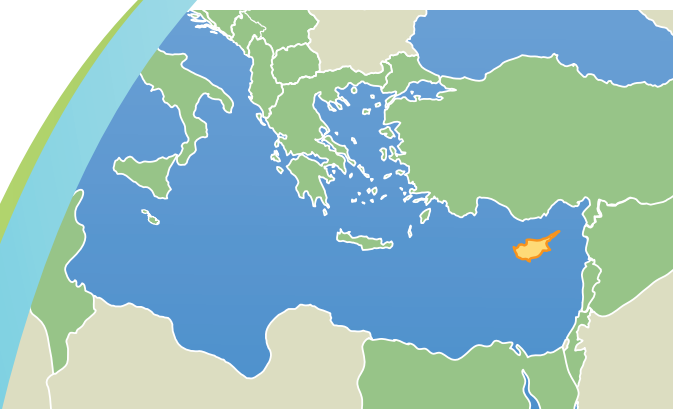


# Cyprus



**GDP real growth rate:** 3.6% (2008)  
**GDP per capita:** 29,413 \$ (2008)  
**GDP per sector:** Agriculture 2.6%,  
Industry 20.5%, Services 78.3%  
**Human Development Index:** 0.914 (rank 45)  
**Number of inhabitants (in 000's):** 864  
**Major industries:** Tourism, food and drink processing,  
cement and plaster, ship repairs, textiles, light chemicals,  
metal, wood, paper, stone, clay.

## Main Issues related to SCP

Cyprus' economy is traditionally highly dependent on tourism and related industries, such as construction, mining and quarries, putting great pressure on the eco-system. The main environmental problems are caused by coastal development, mining activities and the management of urban waste waters.

### Greenhouse Gas (GHG) emissions:

Cyprus is not an Annex B country and has no specific obligations under the Kyoto protocol. The total increase of emissions compared to figures from 1990 (in tonnes of CO<sub>2</sub> equivalent) is expected to be 111% in 2010 and 187% in 2020. The energy sector is the principal source of emissions (83% in 2010).

### Energy:

The country depends on imported energy, with the exception of a small contribution from solar power. The share of renewable energies is predicted to increase to 4% in 2010 and a 10% share of bio fuel use in transport will be compulsory until 2020.

### Water:

Water scarcity is a chronic problem in Cyprus. In 2008 the island suffered a severe water shortage; which led to cuts to water supplies and imports from Greece were necessary. The construction of new desalination plants will allow Cyprus to be self sufficient in its water supply. The use of recycled water for agriculture (70% of the total consumption) is promoted.

### Waste:

Waste management continues to be a priority issue in Cyprus. New landfills are being constructed. Following the application of a regulation relating to producer responsibility, the company "Green Dot" has been established for the selective collection of packaging.

## Policies and Strategic Framework

Cyprus has adopted a Programme of Energy Savings and Use of Renewable Energies in accordance with the European Directive 2006/32 and the Lisbon Strategy. The National Plan has established a series of objectives for improved energy production and consumption with a detailed 5 year action plan for 2006-2010. Other measures include the promotion of the sustainable use of energy in transport, waste management, water and environmental protection. In 2008 a national plan on biomass was developed. It includes biomass for the production of electricity, biomass for heating and refrigeration and the use of bio-fuels in transport as main priority areas.

Cyprus is expected to enter the Kyoto Protocol after 2012 and is in the process of defining objectives for the application of a Strategic Plan for the Reduction of Emissions of Greenhouse Gases for 2010-2020.

## Legal and Regulatory Framework

In 2003 Cyprus incorporated the IPPC EU directive into its legislation. By October 2007, 88% of permits had been granted.

The Programme of Energy Savings and Use of Renewable Energies, implemented in 2004, establishes economic incentives in the form of operational assistance and investment in the field of energy conservation and the promotion of further use of renewable energy sources. The programme is financed through specific funds from electricity bills.

Since 2004 an environmental protection programme of subsidies for preventing industrial pollution has been applied. It provides investment support for systems of pollution control in a wide range of sectors such as mining and manufacturing industries, waste management, and the conservation of natural resources for example.

The government experiences difficulties in the implementation of market based incentives for SCP due to the size of both the market and its companies, where imports are favoured over investments in technology.

In March 2007 a Green Procurement Action plan for a wide range of domains became operational. It includes proposals for environmental measures such as energy saving, recycling and sustainable purchase.

## Greening Industry and Society

Corporate Social Responsibility (CSR) is a new concept in Cyprus and is limited mainly by scale. The Planning Bureau is the authority responsible for the promotion of CSR. The tourism sector, aimed essentially at northern European countries, provides an opportunity for the generalisation of good practice within the industry.

EMAS is being strongly promoted. In 2007, a subsidy was announced for all organisations implementing EMAS. Cyprus is a participant of the EMAS EASY project, financed by the Directorate General (DG) for the Environment of the European Commission, focussing on the implementation of EMAS in SMEs, and consultant training for EMAS implementation.

The European eco label has been promoted through information campaigns focussed on product groups related to tourist accommodation and cleaning products, and the industry has shown a particular interest. By the end of 2008 four companies had obtained the European eco label.

## Main Actors and Projects

Main actors supporting initiatives related to SCP are:

- **The Ministry of Agriculture, Natural Resources and Environment**
- **The Ministry of Commerce Industry and Tourism**

