

Cyprus: consumers' access to clean energy sources

Despina Serghides¹ and Ioanna Kyprianou²

The Cyprus Institute

¹d.serghides@cyi.ac.cy and ²i.kyprianou@cyi.ac.cy

Version: 25/6/2020

Perspective on consumers' access to clean energy sources in the policy debate

The Cyprus government offers schemes to promote renewable technologies, energy efficiency measures and prosumer net metering. The subsidy schemes are issued and regulated either by the state ([Ministry of Energy, Commerce, Industry and Tourism](#)), the [Electricity Authority of Cyprus](#) (EAC) or the [Cyprus Energy Regulatory Authority](#) (CERA). EAC is state-owned and holding the monopoly in electricity generation and distribution in the island, since it is the sole supplier. The schemes concern:

- **Saving Energy – Upgrading of Households [1]**

Energy upgrades and use of renewable energy sources (RES) in households - enhanced grant (75% instead of 50%) for vulnerable consumers.

- **Installation or replacement of solar water heating [2]**

Financial assistance (€175 / €350, depending on type of investment) for the installation or replacement of solar water heating systems.

- **Energy production from renewable energy sources (RES) for own use [3]**

Promotion of solar energy ("Solar energy for all" plan), and with the 2017 plan revision also biomass/ biogas installations for own production. Vulnerable consumers receive additional funds.

Local initiatives also exist, such as **Soft loans for Photovoltaics [4]**, offered by one specific municipality, in collaboration with the cooperative bank and local chamber of commerce and industry.

The abovementioned measures are not directly related to energy poverty, since there is no national action plan specifically designed for this topic. They are rather

integrated in the efforts of the Cypriot government to reach the EU2020 goals for energy efficiency, renewable energy sources and reduction of emissions. Nevertheless, vulnerable consumers (as defined in the legislation for the regulation of the electricity market) receive additional benefits in some cases.

Moreover, the EAC has committed to help in the integration of RES plants in the Cyprus power generation system. Based on this commitment, EAC had prepared a Strategic Action Plan in 2010 covering the period of 2011-2020 [5]. This action plan examined the involvement of EAC, either by the construction of its own RES plants or by collaboration via Joint Ventures with private firms in RES projects. Given the recent changes in the market of electricity supply in Cyprus, an update has not been provided on the role of the EAC in renewable generation. Already, EAC has installed 200 photovoltaic (PV) systems on residential rooftops, as well as a larger scale PV park in the outskirts of the capital of Cyprus, Nicosia. In addition, other private stakeholders are creating PV parks or rooftop installations, whilst all new buildings constructed after January 1st 2021 have to adhere to strict guidelines in a bid to refresh the national building stock with zero-energy buildings [6]. The installation of renewable technologies is included in these official guidelines as one method to achieve the desired certification for the new buildings, therefore increasing access to clean energy and promoting prosumerism; albeit, limited to individuals with adequate funds to build a new house.

The concept of energy communities is virtually non-existent in Cyprus. However, with the full liberalisation of the electricity market during 2020 and 2021, several new companies are expected to provide green electricity (mainly from PVs). With this development, consumers will (theoretically) have the options of consuming clean energy rather than fossil fuel-generated electricity. Nevertheless, viability of the majority of new companies is questionable, since the limited market of Cyprus is expected to be flooded by a small number of competitors. A more likely scenario is that only a few companies will survive, leaving consumers with limited choices for their electricity supply.

Research perspective on consumers' access to clean energy sources in the policy debate

At the moment there has been no academic research published on consumers' access to clean energy access in Cyprus. Data can be found on the EPOV database of knowledge and resources [7].

References

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