

Cyprus

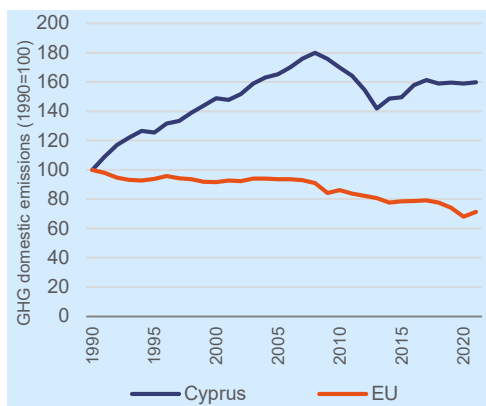
1) Key takeaways

- In 2021, GHG emissions in Cyprus were 0.1% above 2019 pre-pandemic levels.
- Over the same period, ETS and Effort Sharing emissions decreased by 3.5% and increased by 5.2%, respectively.
- Net GHG emissions (i.e. including LULUCF) in 2021 were 53.5% higher than 1990 levels.
- The LULUCF sector emitted 0.04 MtCO₂-eq on average per year from 2013 to 2020, based on accounting.

2) Greenhouse gas emissions



In 2021, approximated domestic greenhouse gas (GHG) emissions in Cyprus were 8.9 MtCO₂-eq, 0.5% higher compared to 2020 and 0.1% above pre-pandemic levels. Overall, net domestic emissions, including the Land Use, Land Use Change and Forestry (LULUCF) sector, were 53.5% higher than 1990 levels.



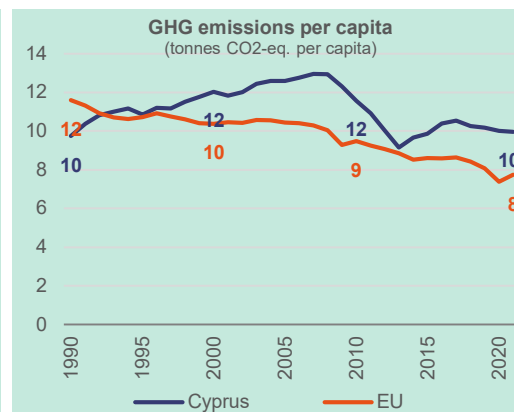
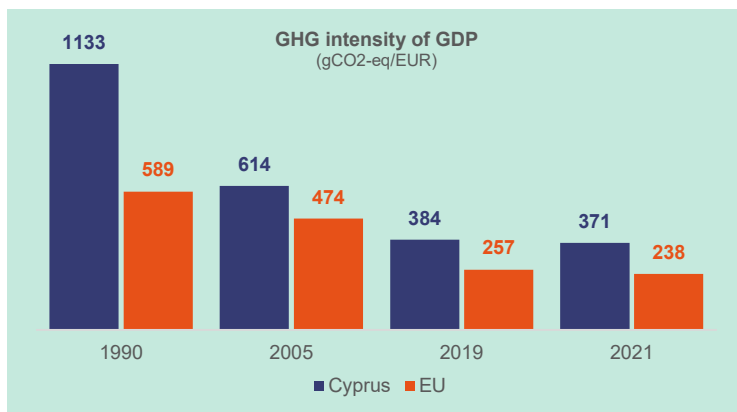
Total domestic GHG emissions

	1990 (MtCO ₂ -eq)	2005 to 1990 (% change)	2019 to 2005 (% change)	2021 to 2019 (% change)	2021 to 1990 (% change)
Cyprus	6	65%	-3%	0%	60%
EU	4847	-6%	-21%	-4%	-29%

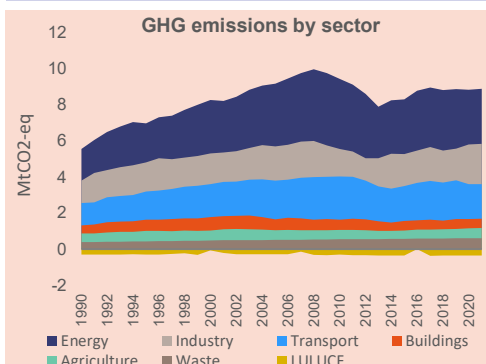
Total net domestic GHG emissions (including LULUCF)

	1990	2005 to 1990	2019 to 2005	2021 to 2019	2021 to 1990
Cyprus	5	60%	-7%	-4%	53%
EU	4633	-13%	-26%	-10%	-33%

Note: GHG emissions and removals for 1990-2020 are based on data submitted by EU Member States to the UNFCCC under Regulation (EU) No 525/2013. Figures may change following resubmissions. GHG emissions for 2021 are based on approximated GHG inventories.



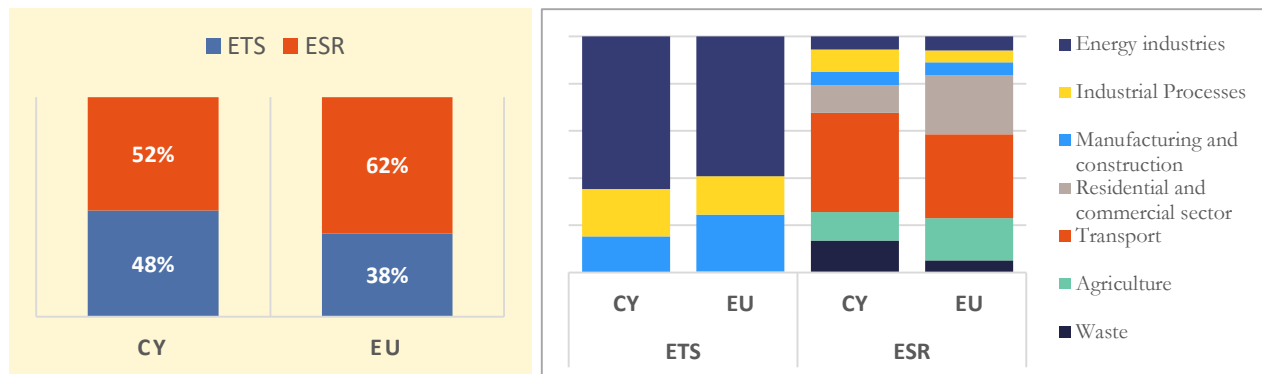
3) Greenhouse gas emissions by sector



	1990 (MtCO ₂ -eq)	2005 to 1990 (% change)	2019 to 2005 (% change)	2021 to 2019 (% change)	2021 to 1990 (% change)
Energy	1.8	97%	-5%	-7%	72%
Industry	1.2	54%	-8%	26%	79%
Transport	1.2	71%	1%	-10%	55%
Buildings	0.4	41%	-11%	-5%	18%
Agriculture	0.5	12%	-3%	7%	16%
Waste	0.4	30%	18%	2%	56%
LULUCF	-0.3	-4%	19%	0%	15%
International aviation	0.7	16%	23%	-68%	-54%

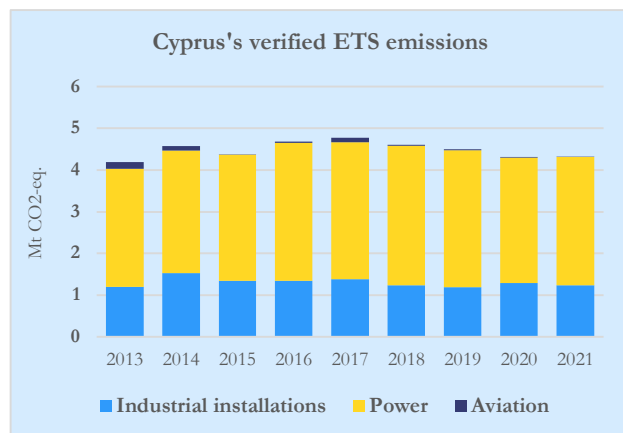
Notes: (1) Energy sector refers to electricity and heat production and petroleum refining. (2) Industry includes fuel combustion in manufacturing and construction and emissions in industrial processes and product use. (3) Buildings include emissions from energy use in residential and tertiary buildings, and energy use in agriculture and fishery sectors.

In 2021, the highest contribution to net GHG emissions in Cyprus came from the Energy sector (34%), followed by the Industry sector (25%) and the Transport sector (22%). Emissions from sectors under the Effort Sharing Regulation (ESR) were 52% compared to 62% for the EU as a whole (see shares in the charts below).



4) Emissions under the EU Emissions Trading System (ETS)

In 2021, stationary installations (e.g. power generation and manufacturing industry) in Cyprus emitted 4.3 million tonnes of CO₂-eq emissions (equal to 48% of Cyprus's total GHG emissions). This is 0.5% higher compared to 2020 but 3.5% below pre-pandemic levels. By 2021, emissions from stationary installations were down by 7.2% against 2013 level (i.e. -15.0% to 2005 levels). Aviation emissions covered by the EU ETS were 39.2% lower compared to 2020 and 74.1% below 2019 level.



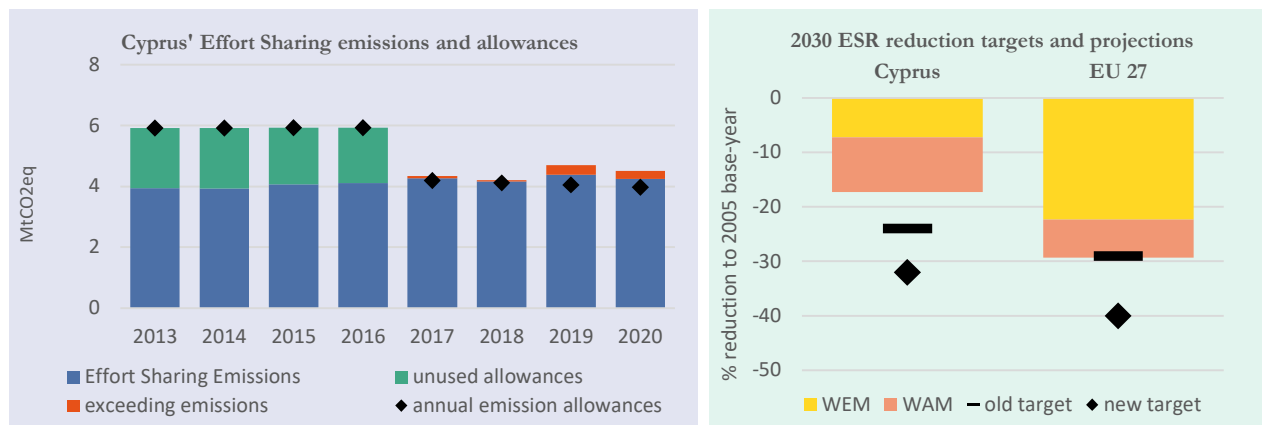
In parallel, Cyprus has raised over EUR 0.2 billion in auction revenues since 2013, available for further climate action and energy transformation. Cyprus reported that an average of 113% of revenues was spent for climate and energy purposes over the same period.^(*)

Mt CO ₂ -eq	2013	2020	2021
Power installations	2.8	3.0	3.1
% change since 2013	-	6.1%	8.8%
Industrial installations	1.2	1.3	1.2
% change since 2013	-	8.0%	3.5%
Aviation (**)	0.16	0.01	0.01
% change since 2013	-	-92.5%	-95.5%

^(*) The auctioning revenues go to a fund, which different ministries can use for climate and energy projects. This fund also receives money from the general budget, so in practice a higher amount than 100% of revenues is spent on climate and energy overall.

^(**) ETS emissions from aviation include flights within the European Economic Area (EEA) and outgoing flights to Switzerland and to the UK.

5) Emissions in Effort Sharing sectors



Note: (1) Verified emissions based on annual inventory review under the Effort Sharing Decision (ESD). (2) Projections as reported by Member States under Reg. (EU) 2018/1999, compiled and checked by the EE.A. (3) ESR base-year emissions and targets have been approximately converted into GWP AR4 for comparability. For these reasons, the distances to targets for 2030 are provided for illustrative purposes only (4) WEM = with existing measures, WAM = with additional measures.

In 2021, effort sharing approximated emissions in Cyprus were 4.6 MtCO₂eq (equal to 52% of Cyprus's total GHG emissions), 8.5% higher than in 2020 and 5.2% higher than 2019 pre-pandemic level.

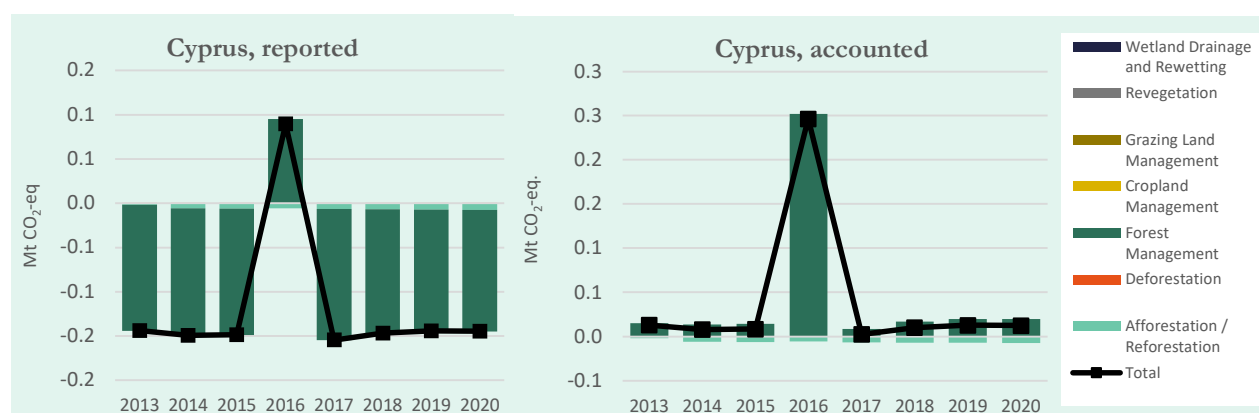
Between 2013 and 2019, Cyprus exceeded its annual emission allocations (AEAs) 3 times. However, Cyprus complied with the Effort Sharing Decision by making use of the flexibilities provided therein.

In 2020, effort sharing emissions in Cyprus exceeded its AEAs. It has sufficient surplus of AEAs from previous years to

6) Land Use, Land Use Change and Forestry (LULUCF)



Reported quantities under the Kyoto Protocol for Cyprus show net removals of -0.12 Mt CO₂-eq on average per year for the period 2013 to 2020. In this regard, Cyprus contributes with 0.04% to the annual average sink of -320.2 Mt CO₂-eq of the EU-27. Accounting for the same period depicts net debits of, on average, 0.04 Mt CO₂-eq, which represents -0.05% of the EU-27 accounted sink of -83.4 Mt CO₂-eq. Reported net removals and accounted net credits are highly similar for all years except 2016, when reporting turns into net emissions and accounting into net debits.



Notes: (1) Charts based on the submissions delivered until May 2022. (2) Data reported for the period 2013-2020, for mandatory and elected LULUCF activities, were submitted by Member States to the European Environment Agency (EEA) and underwent a simulated accounting process developed by the Joint Research Centre (JRC), together with DG CLIMA. (3) Reported data represent the gross annual flux of greenhouse gas from the sector, by activity, according to the IPCC methods for calculation in the framework of the Kyoto Protocol (KP). Accounting is aimed at assessing the impact of policies on climate actions on the actual data, for example as an increase in the sink within the Forest Management activity. (4) The simulated accounting process does not take into account any adjustments or flexibilities that a Member State may apply, for example the purchase of KP credits.

The dominating reported activity is Forest Management with removals for all years except 2016 when this activity shows emissions. The singular situation in 2016 related to significant natural disturbances by major forest fires. Removals by Afforestation/Reforestation are notable; emissions by Deforestation are nearly absent.

In general, credits by Afforestation/Reforestation outweigh debits by Forest Management, except for the year 2016. Debits by Deforestation play no role in the accounts.

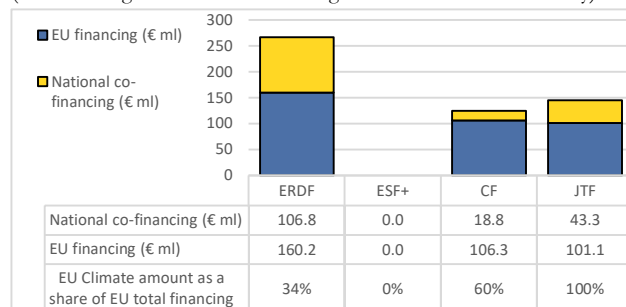
7) Financing Climate Action



Cohesion policy

Cyprus's Planned Financing for Climate Actions

(EU financing & national co-financing - 2021-2027 Cohesion Policy)



The chart presents information on investment plans and achievement targets from adopted programmes. Financing for cohesion policy uses a categorisation to provide thematic information on the finances planned.

Source: <https://cohesiondata.ec.europa.eu/>

Innovation and Modernisation Fund

Innovation Fund (Portfolio of signed projects)

	n.	EUR million
Small Scale Projects	-	-
Large Scale Projects	-	-

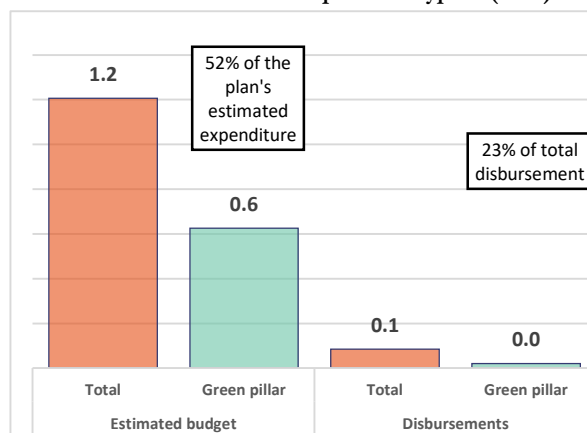
Modernisation Fund

(List of confirmed or approved investment proposals) non-beneficiary

Recovery & Resilience Facilities

RRF allocations (EUR billion)	Grants:	Loans:	% of GDP
	1.01	0.20	5.2

RRF contribution to the Green pillar in Cyprus (€ bn)



This graph displays: 1) the estimated cost of measures attributed by the Commission, in consultation with the Member State, to the green pillar either as primary or secondary assignments; and 2) how disbursements under the RRF (excluding pre-financing) relate to the green pillar.

Source: https://ec.europa.eu/economy_finance/recovery-and-resilience-scoreboard/index.html?lang=en