

A Break Down of the Various Procedures and Involved Organizations for the Permitting, Financing and Installation of Renewable Energy Projects in Cyprus

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Summary

This work summarizes the contribution of the Cyprus Energy Agency and the Cyprus University of Technology to the “Regulatory Frameworks related with Territorial, Landscape and Energy Planning” in the regions participate in the ENERSCAPES project in which the Cyprus Energy Agency is a partner. The ENERSCAPES project is co-funded by the European Regional Development Fund through Transnational Cooperation Programme MED.

The promotion of RES is described by a two sided coin since it is highly encouraged by the government on paper through the National Action Plan, however at the same time causes feelings of dissatisfaction to related stakeholders due to the inability of the governmental machine to follow pace. The bureaucratic authorization procedures in Cyprus that an interested RES investor has to experience in order to get the necessary permissions and/or funding for commercial RES projects suffers; it is lacking consistency, time bound relevance, user friendliness, and administrative support. The paper work needed along with the authorities involved construct a multiplicity of sub-processes that require optimization in order to promote RES.

The European Union is committed to achieve the by now well known target 20-20-20 by 2020. EU, as a whole, must cut greenhouse gas emissions by 20%, use RES for 20% of its energy needs and reduce its energy consumption by 20%. In the case of Cyprus, the RES target was set at 13%. In the national Action Plan sectoral targets were set, however authorization procedure has not yet been simplified. The concept of “One stop shop” has not been properly implemented in Cyprus.

The current work focuses in documenting and accessing the processes and the governmental departments and authorities involved in licensing, financing and installing of a PV park 100 - 150 kW on the ground. The overall procedure has been divided in six distinct process (from site selection and permitting to connecting the site to the electricity grid - High resolution diagrams can be found at www.cea.org.cy), each one involving numerous and complicated sub-procedures. It is the first time that a simple flow-chart has been designed that will enable investors to follow the various steps that need to be taken for a successful completed RES project in Cyprus.

A break down of the various procedures and involved organizations for the permitting, financing and installation of renewable energy projects in Cyprus

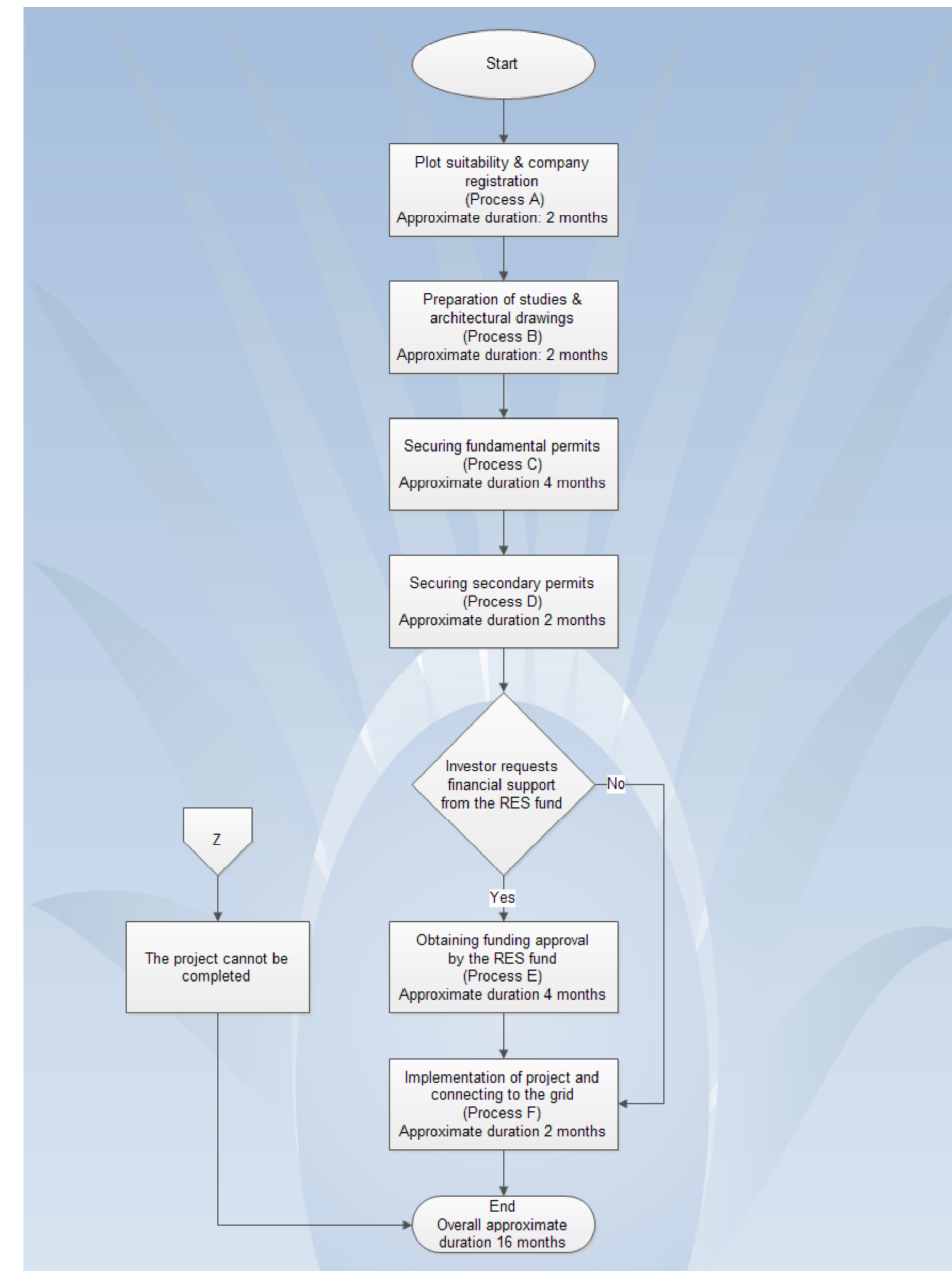
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Introduction

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To achieve the national binding target arising from EU Directive 2009/28/EC of the 13% share of RES by 2020, is expected a rapid development and integration of renewable energy plants in Cyprus. The National Renewable Action Plan has set targets for 2020 with sectoral targets, however the authorization procedures have not yet been simplified. Too many authorities are involved in the process.

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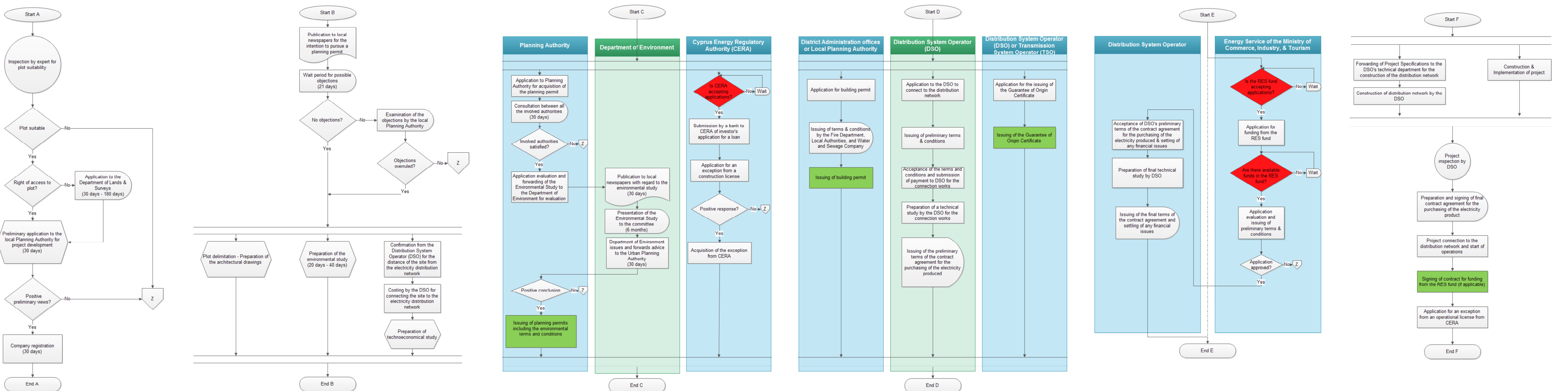
General about Cyprus

According to the National Renewables Action Plan the estimated growth of Wind Energy until 2020 will reach at 300 MW (current installed capacity: 151,3 MW), of Solar Energy (PVs and Concentrated Solar Power) will reach at 267 MW (current installed capacity: 9,1 MW) and of Biomass Energy will reach at 17 MW (current installed capacity: 7,9 MW).

During the permitting procedure there are **6 basic permits** that must be ensured for the final licensing of a PV park 100-150 kW on the ground:

1. Planning Permit (In charge: Department of Town Planning and Housing, Ministry of Interior).
2. Environmental Permit (In charge: Department of Environment, Ministry of Agriculture, Natural Resources and the Environment).
3. License for the production of electricity CERA (In charge: Cyprus Energy Regulatory Authority).
4. Building Permit (In charge: District Administration or Local Planning Authority).
5. Guarantee of Origin Certificate from either TSO or DSO (In Charge: Cyprus Transmission System Operator or Distributed System Operator).
6. Application to the RES Fund to get subsidy (In charge: Energy Service, Ministry of Commerce, Industry and Tourism).

Nevertheless in detail the permitting of PV parks on the ground is a more complicated procedure and all the steps are presented in the following diagrams.



Conclusions

- Too many and different departments and authorities are involved in the authorisation procedure for RES projects in Cyprus.
- The bureaucratic and time consuming procedures in Cyprus in order to get permission and/or funding to install RES projects suffer. It is lacking consistency, time bound relevance, user friendliness, and support.
- This has as a result long authorisation periods and in some cases this is a barrier for the take off of the market and discourages potential investors, as are reluctant to materialise such investment.

