

Circular economy country profile – Cyprus



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Introduction

The European Commission requested the EEA to produce EU country profiles that offer an updated view of the following elements:


- circular economy policies being implemented at a national level with a particular focus on elements that go beyond EU mandatory elements; and
- best practice with a focus on policy innovation.

While implementing the EU Circular Economy Action Plan (CEAP 2020), Member States are encouraged to advance circularity at a national level by adopting policies and initiatives that go beyond EU regulations, while preserving the Single Market.

This circular economy country profile is based on information reported by the Eionet network and, in particular, the Eionet Group on Circular Economy and Resource Use in the second quarter of 2022. The information was reviewed and edited by the European Topic Centre on Circular economy and resource use (ETC CE). A selection of Eurostat data was made to further complement this country profile.

The information is current as of 23 October 2022 (final review), when members of Eionet verified the content of this profile.

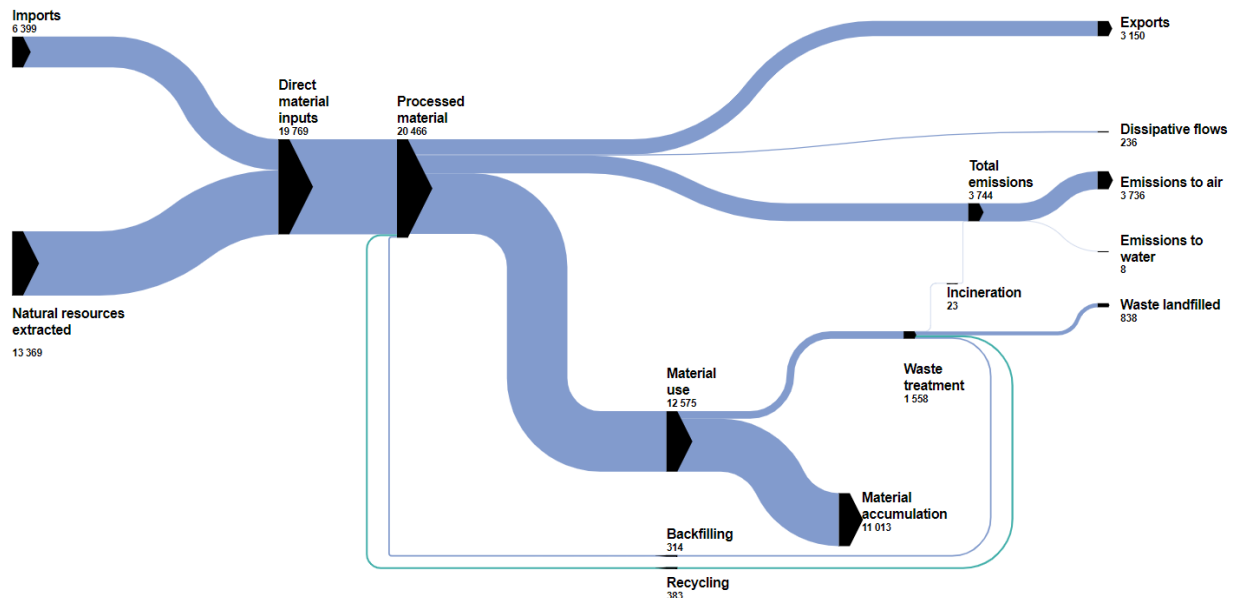
Cyprus – facts and figures

	<p>GDP: EUR 21.6 billion (0.2 % of EU27 total in 2020)</p>
	<p>GDP per person: EUR 24 240 (purchasing power standard) (88.4 % of EU27 average per person figure in 2020)</p>
	<p>Use of materials (domestic material consumption (DMC)) 16.6 million tonnes DMC (0.3 % of EU27 total in 2020) 18.6 tonnes DMC per person (138.4 % of EU27 average per person in 2020)</p>
	<p>Structure of the economy: Agriculture: 2.2 % Industry: 14.2 % Services: 83.6 %</p>
	<p>Employment in circular sectors: 8 804 people are employed in circular economy (CE) sectors (0.2 % of EU total in 2018) People employed expressed as a percentage of total employment: 2.1 % (EU average 1.7 %)</p>
<p>Surface area: 9 251 square kilometres (0.2 % of EU27 total)</p>	
<p>Population: 888 005 (0.2 % of EU27 total in 2020)</p>	

Note: all definitions and metadata used in this profile are taken, as shown, from Eurostat

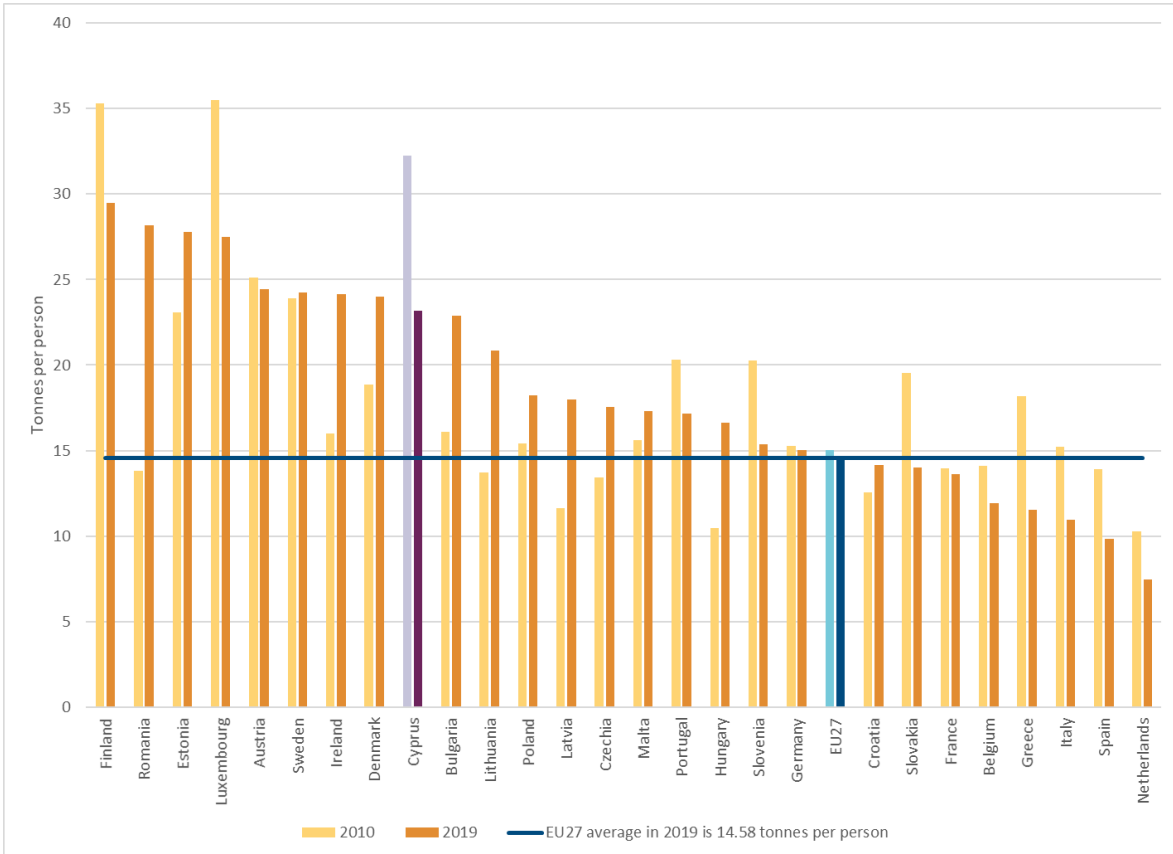
Source: Eurostat datasets, EU27 2020 (accessed 20 June 2022)

Figure 1 Material flow diagram for Cyprus in 2020, '000 tonnes



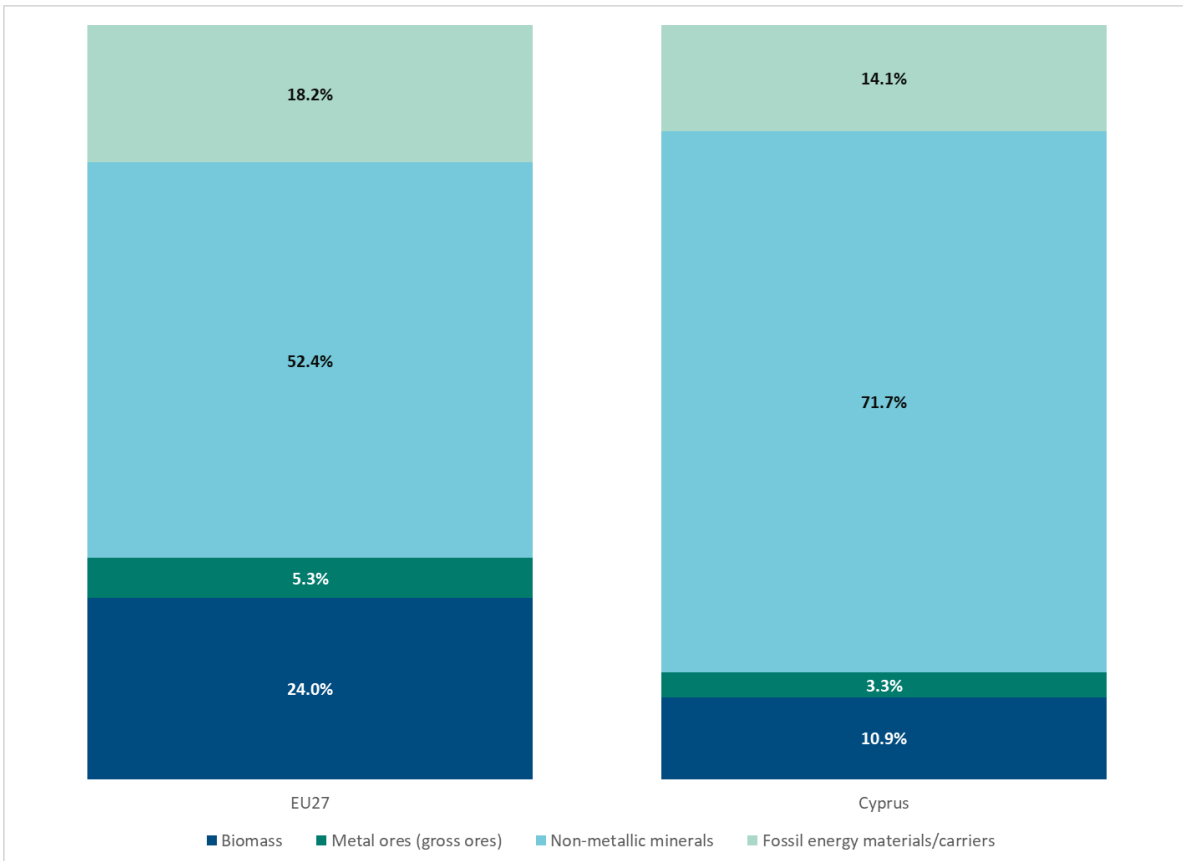
Source: Eurostat (2022) [env_ac_mfa], [en_ac_sd], [env_wassd] (accessed 20 June 2022)

Figure 2 Material footprint (raw material consumption), EU27, 2010 and 2019, tonnes per person



Source: Eurostat (2020) [env_ac_rme] (accessed 4 July 2020)

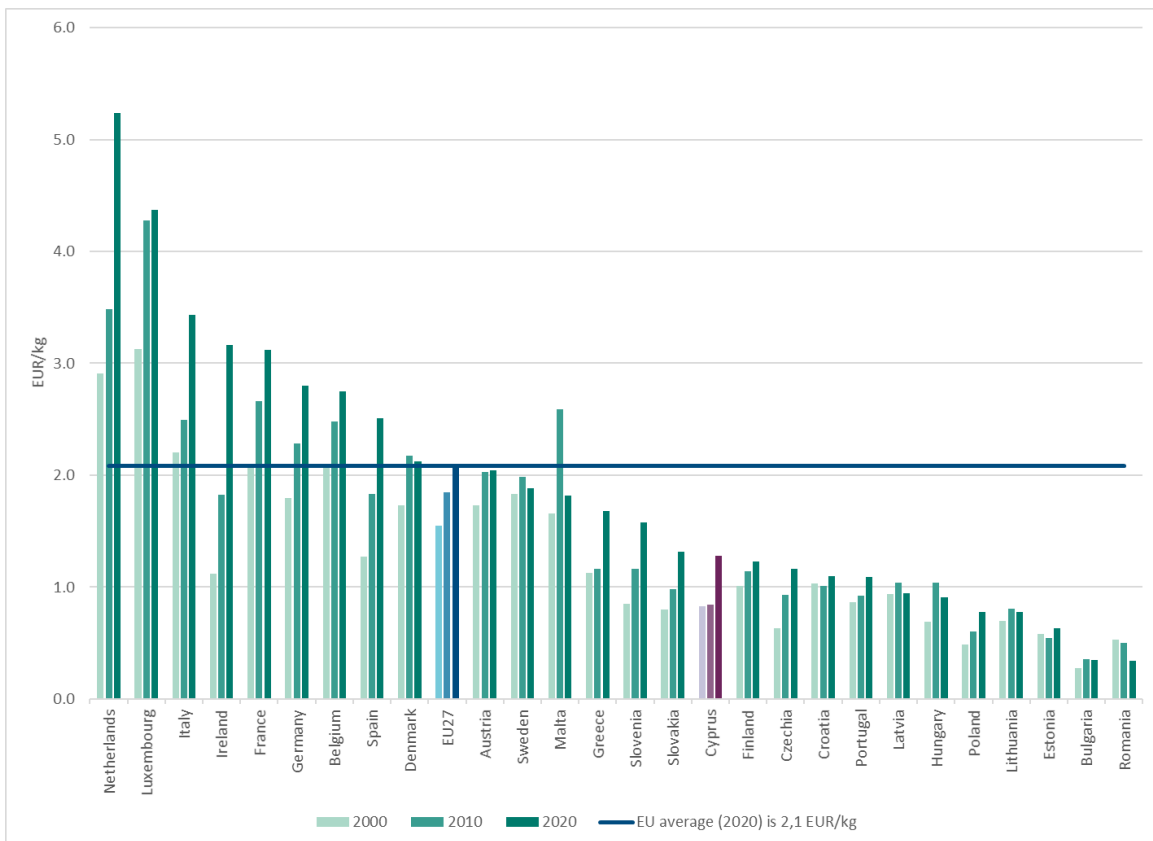
Figure 3 Domestic material consumption by selected material category, EU27 and Cyprus, 2020, per cent



Note: totals may not sum to 100 % due to rounding

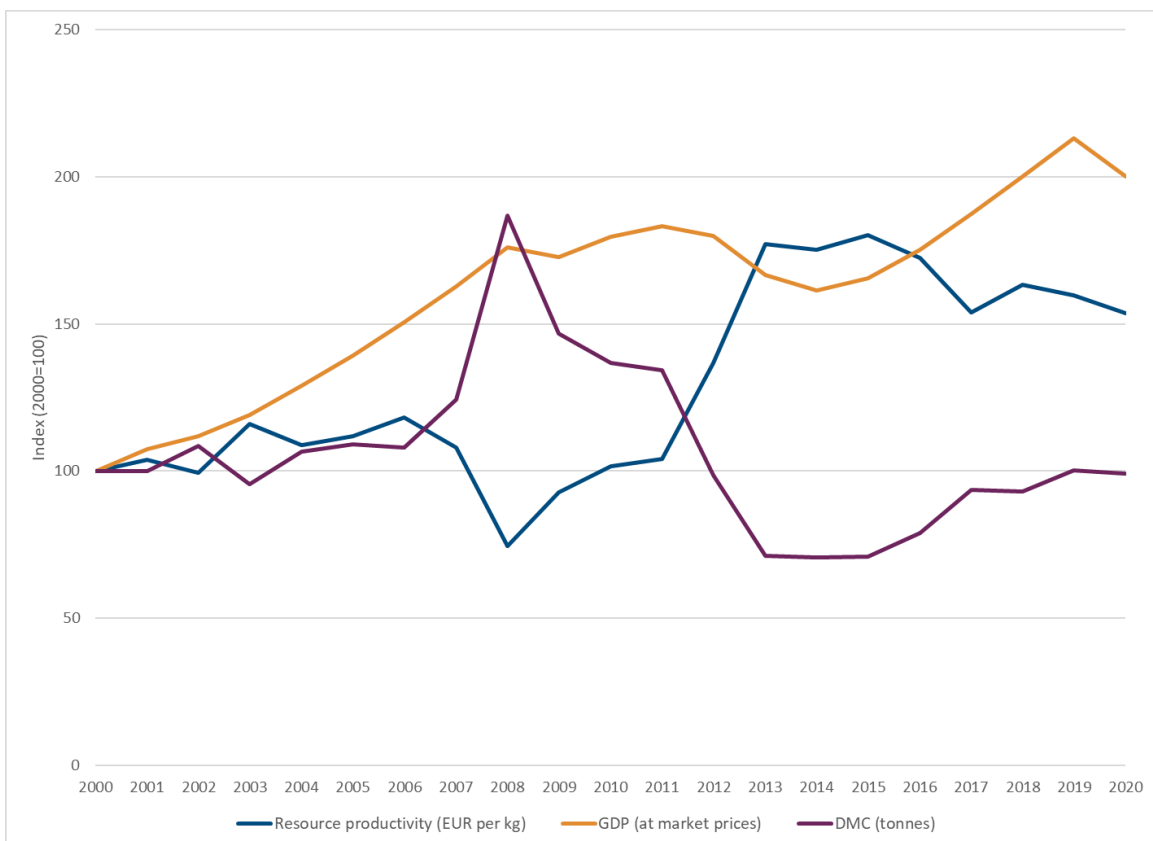
Source: Eurostat (2022) [env_ac_mfa] (accessed 20 June 2022)

Figure 4 Resource productivity (gross domestic product/domestic material consumption), EU27, 2000, 2010 and 2020, EUR per kilogram



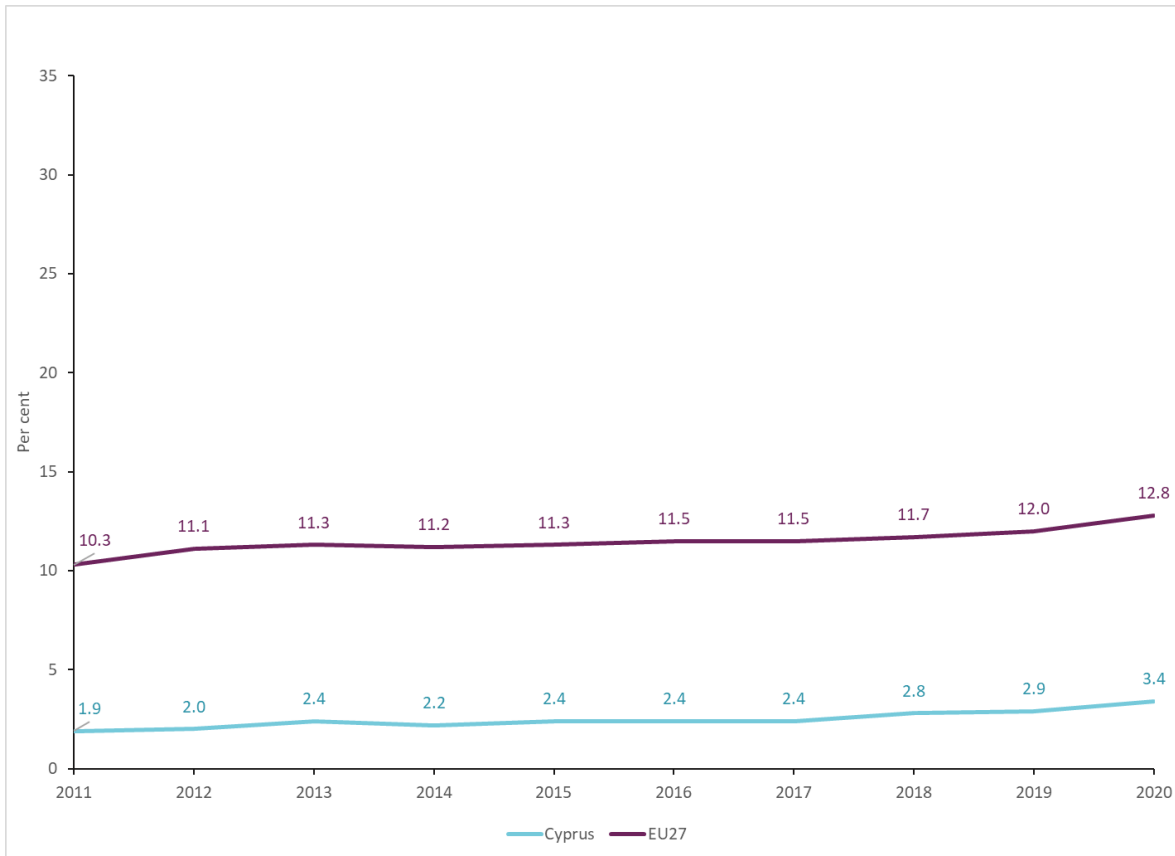
Source: Eurostat (2022) [env_ac_rp] (accessed 20 June 2022)

Figure 5 Gross domestic product, domestic material consumption and resource productivity trends, Cyprus, 2000–2020, index (2000=100)



Source: Eurostat [env_ac_mfa], [env_ac_rp] & [nama_10_gdp] (accessed 4 July 2022)

Figure 6 Circular material use rate in Cyprus, 2011–2020, per cent



Source: Eurostat (2022) [env_ac_cur] (accessed 20 June 2022)

Existing policy framework

Dedicated strategy, roadmap or action plan for circular economy

In 2021, Cyprus adopted its **National Action Plan for the Circular Economy 2021-2027** ⁽¹⁾. It **focuses on key materials and sectors of the economy**, including the primary, industrial and service sectors, with waste policy being a fundamental and transversal component. The Action Plan includes policy measures and action to facilitate the transition to the circular economy. These seek to build a circular culture among industry, businesses and consumers, provide incentives to the business community to invest in the circular economy, enhance their circularity, increase the efficiency of resource use, create synergies and establish favourable market conditions for circular products and services as a way of ensuring sustainable production and consumption.

Specifically, a number of programmes have been included under the Action Plan to highlight the prospects and business opportunities offered by a circular economy, finance the development of new circular products and services, boost investment in the circular economy in businesses and the tourism sector, enable the creation of online material sharing platforms, and promote the development of standards and certification for management systems, products and services that contribute to a circular economy. At the same time, a number of the measures focus on the management of waste as a resource, and on increasing the separate collection of municipal waste and therefore the quality of recycling.

The measures of the Action Plan are outlined in the table below.

CYPRUS NATIONAL ACTION PLAN FOR THE CIRCULAR ECONOMY			
Action	Description	Timeline	Budget
Communication Plan	Inform the business community and consumers about the prospects and business opportunities offered by the circular economy. Information on implemented action.	2022	EUR 500 000
Business coaching	Provision of business coaching and skills development services. The business guidance will also include a Diagnostic Report for companies outlining steps to be followed for the transition to a circular operating model.	From January 2022, open ended	EUR 1 000 000
Go Circular Plan to boost investment in a circular economy by business	Financing research and development (R&D) projects aiming at the development of new circular products and services.	From 2022, open ended	EUR 1 000 000
Plan to boost investment in a circular economy by business	Submission of a comprehensive proposal for the implementation of investment proposals including certification as well as promotion of proposals concerning best practice for the support of clusters.	From June 2022, open ended	EUR 13 300 000
Application of the circular economy in the hotel sector	Provide training and guidance to facilitate the transition to a circular operating model in the hotel sector.	From January 2022, open ended	EUR 1 400 000
Creation of an online platform for the exchange of resources (a sharing	Creation of an online platform that will enable business, industry and public organisations to	2022	EUR 20 000 plus maintenance cost

¹ https://meci.gov.cy/assets/modules/wnp/articles/202109/290/docs/sxedio_drasisiklikli.pdf (in Greek)

CYPRUS NATIONAL ACTION PLAN FOR THE CIRCULAR ECONOMY			
Action	Description	Timeline	Budget
marketplace for the circular economy)	share equipment, services, facilities, waste, materials and personnel.		
Municipal waste management	Programme for the techno-economic support of local authorities for the establishment of a separate collection system for municipal solid waste and the implementation of a pay-as-you-throw scheme.	2022-2027	EUR 25 000 000
	The Municipal Solid Waste Reduction Programme for the Coastal Hotel and Related Tourism Infrastructure in Limassol and Paphos.	2022-2023	EUR 6 400 000
	Programme for the prevention, separate collection and recovery of municipal waste for the mountainous areas of Cyprus.	2021-2026	EUR 1 500 000
	Creation of a coordinating body between central government and local government for waste management.	2023-2025	EUR 900 000
	Installation of 50 autonomous mechanical composters in remote and semi-remote areas.	2022–2025	EUR 7 000 000
	Creation of two reuse and repair centres and a network of stores.	2022–2025	EUR 4 000 000
	Installation of 50 green kiosks in remote and semi-remote areas.	2022–2025	EUR 3 300 000

Circular economy policy elements included in other policies

Circular economy policy elements have also been included in the **new National Municipal Waste Management Plan 2022–2028** and **National Waste Prevention Plan 2022–2028**, alongside measures and action to reduce waste and increase reuse and recycling.

The Municipal Waste Management Plan (MWMP) aims to fulfil Cyprus’ obligations under the Waste Management Framework Directive (WFD) and covers the period 2022–2028. It is a national plan covering the area under government control of the Republic of Cyprus. It builds upon the achievements of the MWMP 2015–2021 and identifies further measures, action and procedures for sustainable waste management and transitioning Cyprus to a zero-waste economy.

This National Waste Prevention Programme (NWPP) was drafted as a continuation of and enhancement to the 2015–2021 Waste Prevention Programme, in accordance with the requirements of Article 29 the WFD. The Programme recognises that its success will lie in ensuring a gradual shift from the current linear economic model of make-use-dispose to a more circular one and that key to waste minimisation lies in changing patterns of consumption.

The **New Industrial Policy of Cyprus 2019–2030** and the National Circular Economy Plan 2021–2027 mirror and commit to the ambition of moving from a linear to a circular economy, thereby increasing competitiveness and providing new opportunities for economic growth through innovation by existing and new businesses and creating of new jobs across multiple sectors. The measures contained within the Policy and Plan have therefore been designed to promote eco-design, eco-taxes, reuse and repair, and awareness-raising efforts tied in directly to sector/material specific action to effect real change.

Circular economy policy element	Included in policy
Promoting the inclusion of circular economy principles in green procurement procedures in accordance with the <i>Green Procurement Handbook</i> issued by the European Commission.	Municipal Waste Management Strategy 2021–2027
Establishment of end-of-waste and secondary product criteria to strengthen the market for secondary materials.	Municipal Waste Management Strategy 2021–2027
Promote green public procurement (GPP) by developing a regulation on tendering procedures to include circular economy principles in public contracts.	Waste Prevention Programme 2021–2027
Administrative streamlining of the end-of-waste status and regulation of a stable and secure market for secondary materials.	Waste Prevention Programme 2021–2027

Monitoring and targets

Assessment of circular economy performance

To date, no assessment has been carried out at the national level. The Eurostat Sustainable Development Goals and Circular Economy indicators (estimates in many instances) are used to monitor progress.

The **National Circular Economy Strategy** ⁽¹⁾ was adopted in 2021 and has begun to be implemented. The **revised National Waste Prevention Programme** ⁽²⁾ has been finalised and will be open for public consultation prior to its adoption by November 2022, focussing on more circular approaches to consumption and production and waste management. The Programme includes indicators to enable assessment of the implemented measures and will be produced every two years. The same is the case for the revised Municipal Waste Management Plan 2022 – 2028 which was adopted in July 2022. It is expected that the implementation of both will facilitate progress in the next few years

Circular economy monitoring frameworks and their indicators beyond the ones from Eurostat

A monitoring framework for the CE has not been developed yet. Eurostat Sustainable Development Goals and Circular Economy indicators (estimates in many instances) are used to monitor progress.

Monitoring has so far been carried out in relation to waste management.

Circular economy targets

No specific CE targets have yet been adopted.

¹ https://meci.gov.cy/assets/modules/wnp/articles/202109/290/docs/sxedio_drasiskikiliki.pdf (in Greek)

² http://www.moa.gov.cy/moa/environment/environmentnew.nsf/page20_en/page20_en?OpenDocument

Innovative approaches and good practice

Examples of private policy initiatives (sectoral)

- ➔ *Good practice example: education (awareness-raising and training), change in consumption patterns and consumer behaviour,*

A number of projects are currently implemented by the **Cyprus Sustainable Tourism Initiative** ⁽³⁾ in the tourism sector. The Keep our Sand and Sea Plastic Free initiative, for example, aims to bring together tourists, tourism businesses and residents across Ayia Napa, Protaras and the wider Famagusta region of Cyprus to cut consumption of single-use plastic so that less enters the waste stream. It focusses on reducing demand and consumption of single-use plastics, such as plastic straws, cups, cutlery and hotel toiletries, by raising awareness in order to change procurement and consumption practices. Another of campaign Making Hotels Greener focusses on improving hotels' sustainability and reducing the negative impacts of tourism on the island.

³ <https://csti-cyprus.org/>


The way forward

Addressing barriers and challenges

Measures have been included in the National Circular Economy Strategy, the revised National Municipal Waste Management Strategy and the revised National Waste Prevention Programme to strengthen the market for the use of secondary products through economic tools, sharing platforms and incentives. The National Circular Economy Strategy also focusses on the manufacturing industry and the tourism sector, to promote the design of more circular products and services, while also providing support to small and medium-sized enterprises (SMEs).

Ranking types of barriers

Due to economies of scale, Cyprus primarily imports products and exports pre-treated waste for recycling. This limits the extent of measures which can be implemented regarding product design, as well as the use of recycled products. Furthermore, so far, the use of economic tools to promote more circular products or change consumption patterns has been limited to energy related taxes or incentives for renewable energy sources.

High barrier	Institutional challenge to develop policy for a complex cross-sectoral issue
	Market barriers for recycled resources
	Companies' ability to grasp opportunities
	Consumer behaviour and awareness
Low barrier	Good indicators and targets

Future policy plans

The following waste management programmes have been included under the Structural Funds:

Programmes under the Structural Funds

A/A	Project Name	Duration	Budget (€)
1	Programme for the techno-economic support of local authorities for the establishment of a separate collection system for municipal solid waste and the implementation of the Pay-As-You-Throw Scheme	2022 – 2027	25,000,000
2	The Municipal Solid Waste Reduction Program for Coastal Hotel and Related Tourism Infrastructure in Limassol and Paphos	2022 – 2023	6,400,000
3	Programme for the prevention, separate collection and recovery of municipal waste for the mountainous areas of Cyprus	2021 – 2026	1,500,000
4	Program for the improvement of existing and the development of new infrastructure for the treatment of organic or other waste	2022 – 2027	15,000,000
5	Creation of a coordinating body between central government and local government for waste management	2023 – 2025	900,000

1. Establishment of a Separate Collection System for Municipal Waste Source and Implementation of a Pay-As-You-Throw Scheme by local authorities

The purpose of the project is to support local authorities in implementing the obligations that will arise from the planned legislative reforms for the establishment of systems for the sorting at source and separate collection, of municipal waste, particularly organic waste, as well as for the establishment of pay-

as-you-throw schemes within their administrative boundaries, including the creation of the appropriate infrastructure, implementation, monitoring, training and awareness raising.

2. The Municipal Solid Waste Reduction Program for Coastal Hotel and Related Tourism Infrastructure in Limassol and Paphos

The project is addressed to the local authorities that have coastal hotel units and related tourist infrastructure and its purpose is to establish a system for the sorting at source and separate collection of recyclable and organic waste from large waste producers, such as hotels, tourist complexes, restaurants, leisure centers, institutions, etc.

3. Program for the prevention, separate collection and utilization of municipal waste of mountainous / semi-mountainous Cyprus

The aim of the program is the independence of the wider mountainous area from the need to transport waste to urban centers within a zero-waste approach.

The project will be implemented in mountainous / semi-mountainous communities and will include measures and actions to promote separate collection of recyclable materials at least for waste paper / cardboard, metal, plastic, glass and separate collection and utilization of organic waste (food waste, green) or promotion of home composting either by means of centralized composting plants, recyclable waste collection points and possibly a small foundry.

4. Program for the improvement of existing and the development of new infrastructure for the treatment of organic or other waste

The aim of the programme will be to support improvements in existing infrastructure and promote the development of new infrastructure for the treatment of separately collected waste, with a priority on organic waste to ensure sufficient capacity for their appropriate treatment. The programme will be implemented in 2022 – 2027.

5. Establishment of a Coordinating Body between Central and Local Government

The investment involves the establishment of an organisation that will effectively support both financially and technically local government to step up its efforts to change the way municipal waste is currently managed.

Objectives

- Provide a mechanism which will upscale waste management towards prevention and separate collection.
- Provide a mechanism which will be flexible and efficient in supporting technically local authorities for the implementation of waste management obligations.
- Liaising central government with local authorities, facilitating implementation of waste management policy in both a top-down approach and vice versa.
- Create expertise in the field of waste management to support local authorities in an effective manner.
- Exploit and use funding opportunities and collaboration.

The following waste management programmes have been included in the national recovery and resilience plan:

A. Waste Management Measures

A/A	Financial Fund	Project Name	Duration	Budget (EUR)
1	Recovery and Resilience Fund	Installation of 50 autonomous mechanical composters in remote and semi-remote areas.	2022–2025	7 000 000
2	Recovery and Resilience Fund	Creation of two reuse and repair centres and a network of stores.	2022–2025	4 000 000
3	Recovery and Resilience Fund	Installation of 50 green kiosks in remote and semi-remote areas.	2022–2025	3 300 000

1. Integrated biowaste source separation and central small and medium-sized aerobic treatment systems and home composting

The aim of the investment is to facilitate separate collection and find solutions to treat source-separated biowaste.

Objectives

- Develop decentralised biowaste management by establishing a network of at least 50 small and medium-sized composting systems and providing 2 000 home composting units to households and schools.
- Assist in the achievement of biowaste reduction targets and contribute to the CE.
- Reduce the amount of biowaste ending up in landfill.
- Use of good quality compost in household gardens and agricultural fields.

2. Construction and operation of green kiosks for dry recyclables

The main aim of this investment is the establishment of a green kiosk recycling system that will help municipalities in remote areas improve their waste management schemes.

Objectives

- Contribute to Cyprus' overall reduction, reuse and recycling targets.
- Develop an innovative, efficient and flexible reuse system.

3. Construction and operation of reuse and repair centres and networks

The project aims to develop and implement the waste reuse and repair policy in Cyprus by (a) constructing and operating two reuse and repair centres that can serve all five regions and (b) establishing a network of reuse shops in Cyprus' major cities that will be linked to the operation of the reuse and repair centres.

Objectives

- Finalise and submit the final dossier for the operation of the two reuse/repair centres to the competent agencies and issue all required licenses/ authorisations.
- Monitor the construction and equipment procurement phase of the two reuse/repair centres.
- Employment of technicians and managers that will support the operation of the two reuse and repair centres.

4. Improvement and extension of the Cyprus Green Points Network and creation of a network of collection points and recycling corners

Objectives/Action

- Solving operational problems of the existing Green Points – supplying the existing ones with extra mobile/fixed equipment, including shredders, diggers, skips and containers, and improving road access to them.
- Design/construction of Green Points for which an Environmental Impact Assessment (EIA) study has been approved.
- Design/construction of new Green Points for which no EIA has yet been carried out.
- Design/construction of a recycling corners network, small Green Points, to serve the rural communities in the Troodos area, as part of the implementation of the National Strategy for the Development of the Troodos Mountain Communities.
- Design/construction of a Collection Points Network, small Green Points, in remote rural communities not included in the National Strategy for the Development of the Troodos Mountain Communities.

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