

DEPARTMENT OF ENVIRONMENT

OBJECTIVE 1: CLIMATE CHANGE MITIGATION AND ADAPTATION

STATE OF PLAY

Today the majority of scientists agree over the increasing influence of the economy and society over the Earth's climate, as a result of activities such as the burning of fossil fuels, the deforestation of tropical forests and the rearing of livestock. Acknowledging the impacts of human activities on the climate, the international community concluded in 1992 at the Rio Conference on Environment and Development, the United Nations Framework Convention on Climate Change. Cyprus ratified the Convention in 1997. The key objective of the Convention is the stabilization of greenhouse gas concentrations in the atmosphere at such levels, as to prevent dangerous anthropogenic interference with the climate system.

In 1997 the Kyoto Protocol was adopted under the Convention, which defines legally binding target limits for greenhouse gas emissions for the period 2008-2012. Cyprus ratified the Kyoto Protocol without any commitments for the limitation or reduction of emissions. In 2012, at the Climate Change Conference held in Doha, Qatar, the second commitment period was agreed under the Protocol (2013-2020). In the context of EU commitments (reduction in greenhouse gas emissions by 20% by 2020 compared to 1990 levels), Cyprus has undertaken its own national targets for a reduction in greenhouse gas emissions by 21% by 2020 for electricity generation and the production of cement and ceramics, and by 5% in other sectors, including agriculture, transport, waste, etc., compared to the 2005 levels.

With a view to prepare for the international negotiations for the period following 2020, EU leaders agreed in October 2014 on the reduction of greenhouse gas emissions by at least 40% by 2030, compared to the 1990 levels. For Cyprus, this corresponds to a reduction in greenhouse gas emissions by 42% for electricity generation, and the production of cement and ceramics, and 22% in other sectors, including agriculture, transport, waste, etc., by 2030 compared to the 2005 levels.

It must be noted that according to the greenhouse gas emissions inventory reports, the total emissions in Cyprus have increased by 52% during the period 1990-2012, while since 2008 an average annual reduction of 3% has been observed.

Furthermore, the impacts of climate change are increasingly felt both in Europe and internationally. They are expected to be particularly severe for Cyprus, where climate change is already evident, given the rising average temperatures and decreasing average annual rainfall observed over the last 100 years. The impacts of climate change will not only persist, but will intensify over the coming decades.

As a result of the above, Cyprus faces the challenge of developing its economy in a way as to minimize the emissions of greenhouse gases, and at the same time adopt and implement

those measures and actions appropriate to enable adaptation to climate change. Moreover, given that a substantial share of the greenhouse gas emissions in Cyprus comprises fluorinated greenhouse gases, emphasizes the need for the full and proper implementation of the legal framework for their reduction and / or recovery.

Finally, climate change is a horizontal, interdisciplinary field that requires the active involvement of nearly all the Ministries in Cyprus, including the Ministry of Agriculture, Natural Resources and Environment, the Ministry of Energy, Commerce, Industry and Tourism, the Ministry of Foreign Affairs, the Ministry of Interior, the Ministry of Communications and Works, the Ministry of Labour, Welfare and Social Security, the Cyprus Energy Regulatory Authority and the local authorities. Therefore, the role of the Department of Environment as the national coordinator needs to be enhanced and strengthened. Finally, an important factor in facilitating efforts is the continuous improvement of the institutional framework, including the establishment of a regular system of inspections.

ACTIVITIES

1.1. Reduction in greenhouse gas emissions and adaptation to climate change

The EU greenhouse gas Emissions Trading System (ETS) is the basic tool for the cost-effective reduction of greenhouse gas emissions. Accomplishing the ETS targets requires the licensing, control and monitoring of the stationary installations participating in the System and aviation, the maintenance of the National Greenhouse Gas Emissions Trading Register and the auctioning of emission allowances.

For sectors not included in the ETS, Member States have committed as part of the European climate and energy package of 2009, to specific national emission reduction targets. To accomplish its national target of a 5% reduction by 2020 compared to 2005, Cyprus requires the implementation of a strategic plan for the reduction of greenhouse gases in accordance with the provisions of Decision 406/2009/EC. Adaptation to climate change also requires the implementation of a strategic plan and appropriate sectoral action plans, integration of measures in all relevant sector policies and the ex-ante risk assessment of climate change impacts.

1.2. Implementation of international and EU commitments on climate change, protection of the ozone layer and regulation and monitoring of fluorinated greenhouse gases

Commitments imposed by international and community legislation include the submission of inventory reports, projections on greenhouse gas emissions and reports on funding, the policies and measures for adaptation to climate change and the reduction of greenhouse gas emissions. Additionally, under the Framework Convention on Climate Change, the preparation of a national and a biannual report is required. Participation in the various international conferences and EU-level preparatory meetings, where participation is

necessitated by the need to safeguard national interests and objectives, also places additional demands.

The regulation and monitoring of fluorinated greenhouse gases requires the implementation of funding schemes for the withdrawal and destruction of banned refrigerants and the preparation of plans for the recovery and destruction of gases, as provided for by the relevant legislation, which seeks to provide the necessary incentives for equipment handlers.

1.3. Coordination of climate change policy issues

Implementation of the policies and measures for the reduction of greenhouse gases presents a significant challenge. Climate change is an interdisciplinary issue, the implementation of which requires the involvement of a number of Ministries and competent bodies.

The Technical Committee for the ETS and the ad-hoc committee on climate change facilitate coordination and discussion on policy issues and measures for the reduction of greenhouse gas emissions, the collection of data for the inventory and the projections of greenhouse gas emissions. Communication is reinforced through regular correspondence with the competent bodies. Coordination is also required with the Customs Department with respect to inspections for the control and monitoring of fluorinated greenhouse gases.

1.4. Project Implementation – Funding of projects / actions on climate change

Achieving the emission reduction targets requires the utilization of available financial and other tools, and more specifically a) the possibility to conclude intergovernmental agreements on greenhouse gas emissions trading, b) implementation of the relevant Commission Decisions on the funding of projects in Cyprus from the NER300 Funding Programme, c) the allocation of at least 50% of the proceeds from the auctioning of emission allocation rights to particular actions mainly relating to climate change, and d) assessing the possibility of classifying the geology of Cyprus with respect to its appropriateness for implementing the technology for the geological storage of carbon dioxide. Equally important is the need to exploit funding schemes towards action plans and measures for abatement and adaptation to the impacts of climate change, as well as for the withdrawal or destruction of banned refrigerants.

1.5. Dissemination of information on climate change

The dissemination of information on climate change is accomplished through meetings with the competent bodies and stakeholders, public presentations and consultations, the distribution of information material and participation in seminars and exhibitions. An important tool towards the effective dissemination of information is offered through the various EU funded projects, such as LIFE.

OBJECTIVE 2: ENVIRONMENTAL PROTECTION

STATE OF PLAY

The operation of industrial and livestock installations has the potential to pollute the environment. The control of water and soil pollution and appropriate waste management are two of the main priorities of the Department of Environment. Implementation is primarily achieved through a system of permits and inspections, as well as the designation of protected areas (nitrate vulnerable zones, zones vulnerable to urban wastewater disposal and bathing water sites). All potentially polluting installations (approximately 800) and all waste management operators (approximately 400) need to acquire a permit. From them, only half have so far been licensed. Three types of permits are issued for Waste Disposal, Waste Management and Industrial Emissions, while for the evaluation of applications three separate legally established committees exist, comprising representatives of the various competent Ministries, bodies and NGOs. Non-compliance is dealt with through regular controls and inspections, for which the pressing needs in human resources have led, since 2012, to the purchase of services. Meeting obligations requires coordination with all the competent departments of the Ministry (Departments of Agriculture, Water Development, Geological Survey, Fisheries and Marine Resources, the Mines Service and the Veterinary Services), as well as with other Ministries (Ministry of Interior, Ministry of Labour, Welfare and Social Insurance, Ministry of Energy, Commerce, Industry and Tourism and Ministry of Health). The competency for the implementation of the Industrial Emissions Law is shared with the Ministry of Labour, Welfare and Social Insurance.

Protection of the natural capital is another key priority of the Department of Environment. Efforts concentrate on the protection of sites designated under the Natura 2000 Network, for which the Department is the coordinating authority, having at the same time the administrative responsibility for sites designated in accordance with the Habitats Directive outside forest areas. The Natura 2000 Network comprises 40 Sites of Community Interest (SCI) (for the protection of species and habitats except bird species) and 30 Special Protection Areas (SPA) (for the protection of birds), which together constitute 29% of the total area under the control of the Republic of Cyprus. The management plans for the SCI have been completed, but the relevant protection measures have not yet been implemented and the observation and monitoring network is not fully operative. A Scientific Committee has been established for consultation purposes, while three other authorities are involved in the management of the Network, namely the Game and Fauna Service for the SPA for birds, the Department of Forests for the SCI within forest areas, and the Department of Fisheries and Marine Resources for the marine SCIs. The need to coordinate work between the different competent departments for the management of designated sites, including for the assessment of impacts from projects not directly connected with their management (Appropriate Impact Assessments) and the role of the Scientific Committee are significant.

Moreover, the need to inform the public and raise community awareness is particularly important to ensure acceptance.

One of the basic tools for the protection of the natural and urban environment is the assessment of the impacts on the environment from proposed plans, programmes and projects and their avoidance or reduction through appropriate mitigation measures and actions. The relevant legislation has been in force for over 10 years and the Department of Environment has the responsibility to assess impacts and issue environmental opinions, which constitute an integral part of development planning consents and other required permits. The assessment process is complex, multifaceted and interdisciplinary and requires coordination both within the Department and with other Departments and Ministries, so as to take into consideration all the parameters and opinions and ensure that all aspects of a proposed project have been addressed. The assessment process involves an examination by a legally established Committee, which functions as an advisor to the Department of Environment. Aside the plans and programmes falling under the relevant legislation, the Department of Environment also advises other public authorities on development activities, which may potentially have environmental effects, proposing terms and conditions for their reduction. The coordination requirements for the assessment, the functioning of the Committee and the need to ensure that applications include all necessary information, require a large team of officers with specialized expert knowledge, who devote a considerable part of their time on these activities.

ACTIVITIES

2.1. Protection of the environment from the activities of industrial and livestock installations, waste management operators and waste producers

The main goal of this activity is to improve compliance with the environmental legislation on matters of pollution control and waste management, which is primarily achieved through the implementation of a system of permits and inspections, the designation of protected areas and the preparation of management plans and action programmes, as required by the European Directives and International Conventions.

In addition, there is an ongoing effort to improve and modernize the legal framework for a more effective implementation, reduction of the administrative burden and a more efficient provision of services to economic operators and businesses with respect to environmental permitting. Furthermore, the institutional framework will be appropriately restructured with respect to the management of the environmental aspects of energy and hydrocarbons.

2.2. Managing species and habitats with the objective of halting the degradation of the conservation status

The main aim of this activity is the implementation of the Habitats Directive, through the protection and management of the Natura 2000 network, including the mapping of species

and habitats, preparation of management plans for the Natura 2000 sites, monitoring and supervision of the designated sites and the implementation of protection measures. Aside the Natura Network, other important ongoing actions include measures on the movement of species and genetic resources, the reduction or elimination of invasive species and the control of the introduction of genetically modified organisms in the market.

Preparation and implementation of a broader strategy on biodiversity, and the conservation and improvement of ecosystem services and the rehabilitation of degraded ecosystems through the promotion of green infrastructure.

2.3. Assessment of the impacts on the environment from plans / programmes / projects and other actions

The activity covers the overall process for the assessment of the impacts on the environment from proposed plans and projects, which includes the assessment of the environmental aspects of each proposal, coordination and cooperation with other Departments, etc. For coastal areas, the preparation of a strategy for their integrated management and the designation of a terrestrial coastal zone area are promoted. Finally, with respect to environmental noise, the strategic noise maps are under preparation and action plans are promoted covering roads, airports and industrial areas, with the aim to protect citizens from the impacts of noise.

New legislation is drafted, that will provide the necessary tools for more effective implementation (one-stop shop, decree for the contents of the assessment studies, decree for the qualifications of consultants, obligatory monitoring).

2.4. Dissemination of information

Raising environmental awareness is an important tool for pollution abatement, to which end information on pollution prevention and the correct management of waste is regularly disseminated via various communication channels. At the same time, public consultation is required for new permits and legislative acts.

Raising awareness and informing communities on the Natura 2000 Network is an important factor in securing its acceptance and effective management. Through the relevant LIFE programme, awareness and information campaigns are carried out to this purpose and educational packages have been prepared.

With respect to environmental impact assessments, the provision of information on a proposed plan or project and public participation prior to development consent are obligatory. Furthermore, information is provided through various awareness actions regarding the general approach of the Department on the environmental impact assessment of plans and projects, noise, environmental management tools and coastal management.

2.5. Project implementation

For the effective control of pollution and management of waste, significant financial resources are required, as well as skilled and adequately trained personnel. Part of the necessary financial resources is raised from community funds through the LIFE programme. Nature protection also requires considerable human and financial resources. Therefore, raising financial resources from community funds is a priority. It is noted that LIFE programme has already funded the preparation of nine management plans for the Natura 2000 Network.

The funding of actions for the Natura 2000 Network from the Cohesion Funds and the European Regional Development Fund has been approved for the period 2014-2020, while the uptake of the funding will begin in 2015. Furthermore, given that the training of personnel for the environmental impact assessment of plans and projects is of particular importance, an action plan financed by the Cohesion Funds will be implemented for the training of officers, members of the Technical Committees, local authorities and NGOs.

2.6. Coordination

The implementation of the laws on the control of water and soil pollution and the management of waste, including the functioning of the Technical Committees and the preparation of compliance reports, entails increased needs for coordination, due to the large number of stakeholders and competent bodies involved. The same applies for the implementation of the legislation on nature protection, due to the large number of stakeholders involved in the management of the Natura 2000 Network and the implementation of the relevant laws and policies.

The environmental impact assessment of plans, programmes and projects also requires considerable coordination efforts, given that the assessment often covers several environmental aspects, including for the efficient functioning of the Technical Committee and the exchange of information between the consenting authorities and the applicants.

OBJECTIVE 3: RESOURCE EFFICIENCY

STATE OF PLAY

One of the difficult challenges to be addressed is the need to promote development, so as to improve welfare and secure employment, while at the same time ensuring environmental protection and enhancing resource efficiency. Responding to this challenge requires the restructuring of all economic sectors on the basis of a policy framework that will facilitate innovation, efficiency and change, and create economic opportunities through the redesign of products, the sustainable management and use of resources and the wider reuse and material substitution. One of the key priorities of the Department of Environment is the

decoupling of economic development from resource use and environmental degradation and the transition to a green, competitive, resource efficient, low-carbon economy. To this end, it supports the transition to a green economy by contributing to the development of the overall policy framework on green growth and through the promotion of the circular economy, resource efficiency and sustainable consumption and production, on the basis of relevant European decisions and action maps.

At the same time, promoting the green economy requires the creation of an enabling environment and the provision of incentives to business, industry and the public at large, to support increases in the efficiency of resource use, promote a life-cycle approach for products, reduce waste and change consumption patterns. Actions include the promotion of voluntary systems of sustainable production and consumption through the implementation of the European ECOLABEL and the Eco-Management and Audit Scheme (EMAS), as well as the Green Public Procurement Action Plan, which aim to minimize the environmental impacts from business activities, the production and consumption of products and the provision of services.

The new government policy on waste has also been shaped in view of the above. The waste management field, particularly with respect to municipal waste which is the second largest waste stream in Cyprus, is not characterized by an integrated and coherent approach, although the EU policy and legal framework is generally implemented and the necessary infrastructure has been created (network of licensed collectors and waste treatment operators). For certain types of waste, including packaging, WEEE, batteries and tires, the extended producer responsibility is under implementation both in terms of legislation and through the operation of individual and collective systems. However, the lack of an integrated and coherent approach means that only 20% of municipal waste is prepared for recycling, while the rest is disposed of in landfills. The fact that Cyprus has one of the highest per capita production of municipal waste in Europe, emphasizes the need to restructure policy, so as to reduce the overall impact of resource use and improve its efficiency.

Given the aforementioned situation and European obligations, the National Waste Prevention Programme and the Municipal Waste Management Plan have been prepared. The National Waste Prevention Programme includes a package of measures that focus on the reduction of certain waste streams (food waste, paper, plastic, electrical and electronic equipment, clothing and construction and demolition waste) and the adverse impacts of the hazardous waste stream of municipal waste. The ultimate aim is the decoupling of economic development from the production of waste and the reduction of the per capita production of municipal waste in Cyprus. Similarly, the Municipal Waste Management Plan defines the basic principles governing the management of municipal waste, sets national quantitative and qualitative targets for separate collection at source and adopts measures for meeting these targets. The basic goal is for the management of waste to constitute part of sustainable development through the implementation of the waste hierarchy. This will be achieved through a review of the institutional framework, the strengthening of local

authorities, improvements in infrastructure, the provision of incentives, the implementation of the extended producer responsibility and the full exploitation of mechanisms for raising public awareness and educating stakeholders.

ACTIVITIES

3.1. Efficient management of waste, use of waste as a resource and actions towards the transition to a green economy

Supporting the transition to a green economy is accomplished through the Department's contribution in the preparation and implementation of the National Action Plan for a Green Economy.

The National Waste Prevention Programme and the Municipal Waste Management Plan promote a series of actions, including legislative measures for the appropriate management of waste, the implementation of waste prevention and separate collection systems in cooperation with local authorities, the conclusion of voluntary agreements with businesses for the implementation of waste prevention programmes and the establishment of a funding scheme to support improvements in waste management infrastructure and industries that may potentially use recyclable products in their production cycles. The implementation of the aforementioned actions is one of the foremost priorities of the Department of Environment, in view of the tight time schedules for compliance with the relevant European obligations.

3.2. Promoting the implementation and wider uptake of environmental market tools and labeling (EMAS, ECOLABEL, Green Public Procurement)

Through a series of measures and campaigns, the Department actively promotes the wider uptake of the EMAS for the environmental management of business and other service sectors and the ECOLABEL for products, as well as the enhanced implementation of the Green Public Procurement Plan for the introduction of environmental parameters in the tendering process and the procurement of green products and services by the public sector.

3.3. Dissemination of information

With respect to the promotion of voluntary tools, campaigns are carried out for the European ECOLABEL and EMAS, targeted at certain economic sectors. In the case of Green Public Procurements, campaigns are carried out targeted at the public sector. The aim is to enable the transition to more sustainable production and consumption patterns.

For meeting the targets set for the management of waste, measures will be taken for the dissemination of information, including the creation of an appropriate database system for the collection and assessment of data on waste management and an internet platform for the exchange of knowledge and good practice between stakeholders and the dissemination of information to the general public. Awareness and information campaigns will be carried

out for the public and stakeholders, as well as training programmes for local authorities, the wider public sector and other stakeholders.

3.4. Project implementation

For the implementation of the waste management obligations, the Department will absorb financial resources from community funds, participating in co-funded programmes. More specifically, the Department will participate in several EU Competitive Programmes such as LIFE, Territorial Cooperation, ENI, MED, INTEREG, etc. Moreover, financial resources will be absorbed from the Structural and Investment Funds, from which it has already received approval for the period 2014-2020 for the implementation of certain projects. The absorption of funds is expected to begin in 2015.

3.5. Coordination

The implementation of the relevant waste legislation entails significant coordination requirements, due to the many stakeholders involved in the waste management sectors, which demands continuous communication for the exchange of views, as well as frequent meetings and committee sessions. A necessary precondition is the direct communication and negotiations between the Department and the different stakeholders for the establishment of programmes, voluntary agreements, actions and measures to be implemented.

OBJECTIVE 4: ENHANCING THE INSTITUTIONAL CAPACITY AND IMPROVING THE EFFECTIVENESS OF THE DEPARTMENT

STATE OF PLAY

Until recently the Department of Environment lacked a comprehensive strategic plan to link clearly defined objectives and targets with the budget. In 2014 the first comprehensive strategic plan was prepared by the strategic planning team, which is under a continuous process of monitoring, assessment and review.

Today, responsibilities in the environmental field are scattered in different ministries, departments and services, which significantly constricts the effective implementation of the environmental policy in Cyprus.

The work of the Department is complicated on several occasions by the existing legal framework for environmental permits, which imposes an increased administrative burden, not only for the government sector but also for businesses and economic operators, given that an installation may be obliged to acquire up to four different licenses, as a result of various legislative provisions. The goals of the envisaged amendments of the legislative framework are 1) to require one permit per installation, and 2) to reduce the number of

permits issued without reducing the requirements or the degree of environmental protection.

In addition, the lack of an integrated automation system also restricts the efficiency of the Department, both with respect to its internal functions and regarding the appropriate, full and timely provision of information to the public, mainly through its website. Another important element for the efficient functioning of the Department, which is not currently available, is the infrastructure for spatial data (geographical information systems) and integrated databases.

Aside infrastructure problems, the Department of Environment is either directly responsible for or coordinates the implementation of more than 120 pieces of legislation that relate to environmental matters. Understaffing has always been an important parameter that deters the effective functioning of the Department. The problem has recently been reinforced by the measures taken to address the government deficit, such as the repeal of 16 new job positions and freezing of recruitments and promotions. The restructuring of the Department on the basis of the recent study by the World Bank will be an important priority pillar for the coming three years. The study emphasizes the lack of human resources and the fact that many environmental issues are scattered in various other ministries and departments. The latter in particular, deters significantly the Department's work, due to the adoption of different targets and objectives, duplication of work, the requirement of more resources, delays, subjectivity, etc.

Another important factor with respect to personnel issues, which is the result of the dynamic nature of the term "environment" and the continuous development of scientific information and subject fields, is the need to train human resources to deal with new challenges (e.g. hydrocarbons), new trends and new circumstances.

Finally, within the context of improving the efficiency and effectiveness of the Department, of particular importance is the need to enhance the implementation of objectives and targets, including through appropriate coordination, so as to maximize the utilization of Competitive Programmes, such as LIFE, and other funding programmes from the Cohesion and Investment Funds.

ACTIVITIES

4.1. Improving the institutional framework

One of the priorities is the internal modernization of the Department through the improvement of the institutional framework. This is achieved primarily through the development, monitoring, evaluation and review of the Strategic Plan of the Department. Within the context of institutional improvements, current efforts focus on the consolidation and centralization of responsibilities in the environmental field which are today scattered in various ministries, departments and services. The reform process of the Department of Environment is directly linked to the general restructuring efforts of the Ministry.

Another important aspect for the improvement of the Department's institutional framework concerns the improvement and modernization of the legislative framework for environmental permits, which will lead to the reduction of the administrative burden, both for the public service and the private sector.

4.2. Improving productivity and the quality of the services provided

Improving the productivity and the quality of services provided is a continuous task. Efforts primarily focus on improving the functioning of the Department's procedures, through the establishment of automated procedures, with the development of databases and spatial, the continuous upgrading of the webpage and the provision of information through electronic governance. At the same time, standardization and the possibility for the electronic submission of information on behalf of operators, are also promoted. The restructuring of the Department is also expected to further facilitate efforts, as does the emphasis given to the continuous training and lifelong learning of the personnel.

4.3. Programmes to enhance the implementation of objectives

For enhancing the implementation of its goals in all sectors, the Department places particular emphasis on the absorption of community funds through the promotion and coordination of funding programmes and actions under the European Cohesion and Investment Funds and the management of the LIFE Programme (submission of proposals). Moreover, the effective implementation of goals is reinforced through the continuous assessment of the state of the environment and the preparation of relevant reports, which demonstrate the effectiveness of measures and guide the formulation of future policy.