

Cyprus

Trilemma Rank  
**# 57**

Trilemma Score  
**66.7**

Balance Grade  
**DBB**

Cyprus presents uneven Trilemma scores, with a consistently strong performance in Energy Equity but a weaker showing in Sustainability and Security despite an improvement in the past decade. The Security dimension has improved strongly in the last five years as a result of diversification of electricity generation and higher storage capacity. The country's balance grade is DBB and its global ranking is 57.

Population  
0.9 (millions)

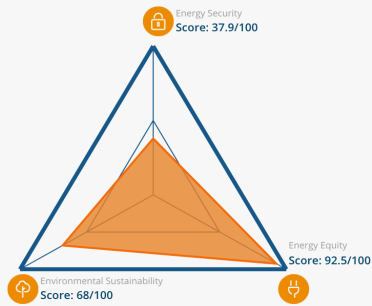
Land Area  
9.2 (thousand sq. km)

GDP Per Capita  
28,159 (PPP US\$)

Industrial Sector  
12.2 (% of GDP)

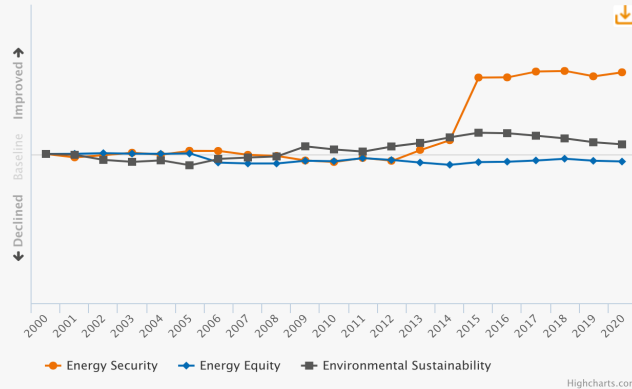
GDP Growth  
4.1 (annual %)

Balance



Historical Trilemma Scores

Trend lines track the country's performance in each dimension, beginning with a baseline of 100 in the year of 2000



Trends and Outlook

Energy isolation remains one of the major challenges for Cyprus. Although energy security has seen significant improvements in the past decade, the government continues to work towards diversifying the energy mix along with other several initiatives to improve connectivity. The discovery of offshore gas fields has drawn international oil companies to Cyprus and the island republic had hoped to become a significant gas producer. However, drilling plans have been postponed as the oil majors are revising upstream plans and cutting budgets. In the meantime, Cyprus is going ahead with plans to import LNG via a floating receiving terminal with the help of an EU loan with first imports expected in 2022. This will allow switching its biggest power generating plant in the south from fuel oil and diesel to gas, thereby improving energy security and bring environmental benefit. Gas supply to combined cycle power plants at ed to introduce LNG to the country's energy mix and contribute to energy security.

A key priority for Cyprus is further diversification of fuel sources and better connectivity. The planned East Mediterranean Gas Pipeline (EastMed) gas pipeline project would connect the gas reserves of the Eastern Mediterranean with Greece. The EuroAsia interconnector will connect Israel with Cyprus and Crete. It will have capacity to transmit 2000MW of energy, allowing Israel to sell excess electricity to Cyprus or other buyers further west. Completion of the interconnector is expected in December 2023. Several domestic infrastructure projects are also expected to be completed in coming years and are expected to improve the competitiveness of the domestic electricity market.

Cyprus published its Integrated National Energy and Climate Plan in January 2020, which outlines key targets in line with the 2015 Paris Agreement. The country has set a target of 23% renewables in the energy mix by 2030 and the government says that it is confident that the target will be achieved. However, further expansion of renewables will be difficult to achieve given the island's electricity isolation without sufficient storage and interconnectivity. Addressing these issues will help to scale up renewables deployment and strengthen the Sustainability dimension.

Cyprus has been quite successful in controlling the spread of COVID-19, but the local economy has been impacted by the fall in tourism and travel. Offshore gas drilling in Cyprus' Exclusive Economic Zone has been largely delayed due to the pandemic, and some concerns have been expressed regarding how the global oversupply of hydrocarbons and low gas prices will impact the EastMed pipeline.

Key metrics

Metrics are determined relative to other countries, with a full bar representing a score of 100.

