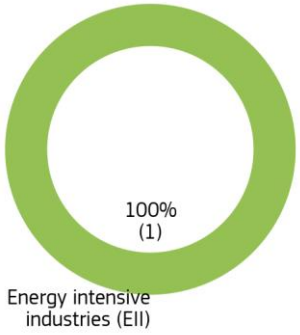
European Commission

Innovation Fund Programme

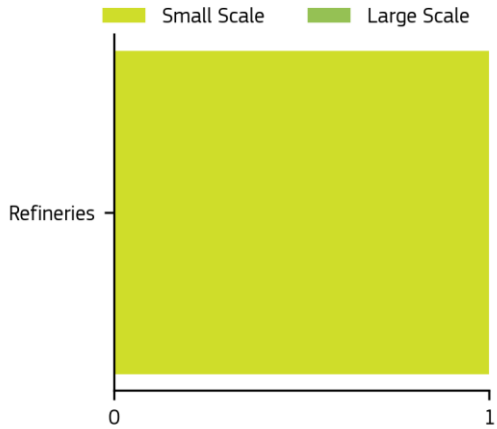
Overview of awarded projects in Cyprus

Funded by the revenue of the EU Emissions Trading System, the Innovation Fund's goal is to help businesses investing in innovative low-carbon technologies with significant GHG emissions reduction potential.
The Innovation Fund currently supports **1 project** located in Cyprus, which will contribute to the decarbonisation of European industries with a total expected GHG emission reduction of **21,677 t CO_2 equivalent in the first 10 years of operation.**
The total **Innovation Fund grant in Cyprus is of EUR 4.5 million**, out of the **total relevant costs of EUR 7.5 million**, as defined in Art 5 of the Delegated Regulation 2019/856 on the Innovation Fund[1].

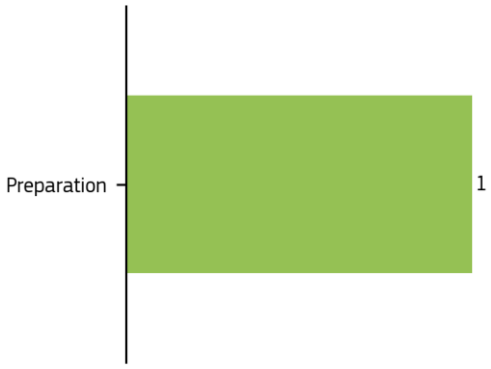
Projects per category
Number of projects and percentage of the total



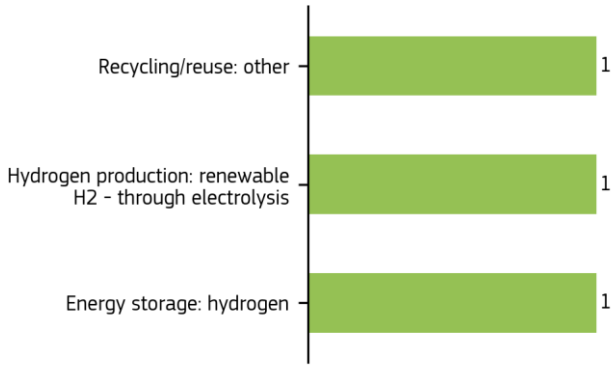
Projects per sector
Number of Small and Large-Scale projects



Projects per phase[2]
Number of projects



Top 5 technology pathways[3]
Number of projects



[1] *OJ L 140, 28.5.2019, p. 9.*
[2] *Preparation means the period before financial close is reached; construction means the period between financial close and entry into operation; operation means that the construction is finished and the project has already started production.*
[3] *Projects may employ several technological pathways, only the top 5 per country are kept in the graph.*
State of play: 08/04/2024

List of awarded Innovation Fund projects in Cyprus

Acronym	Title	Sector	Start date	Project phase	Beneficiaries	Innovation Fund grant (EUR million)	Expected GHG emission avoidance (t CO2eq)
Small Scale						**4.5**	**21,677**
GreenH2CY	Green Hydrogen Project for Transport in Cyprus	Refineries	01/06/2023	Preparation	ZORPAS | EVERGY LTD | Future Fuels | Ketonis H.	4.5	21,677

Project overview

Acronym	Title	Abstract
GreenH2CY	Green Hydrogen Project for Transport in Cyprus	The GreenH2CY project will produce hydrogen from renewable energy for the transport sector, to re-fuel trucks and replace diesel vehicles. The project will include a refueling station and hydrogen storage facilities, which will allow the electrolyser that produces the hydrogen to be used flexibly and to be run during off-peak hours in the electricity market. The relative GHG emissions avoidance from the operation of the project over a ten year period will be 100% compared to the reference scenario. The GreenH2CY project is the first-of-its-kind in Cyprus and will serve as an important step towards establishing the hydrogen economy in the country. Cyprus is an isolated electricity network and lacks the necessary storage facilities or interconnections with other networks to store renewable electricity, notably at times of low demand and high production. Currently, this excess electricity is curtailed and discarded. Flexible hydrogen production during those hours using an electrolyser which runs off the excess renewable electricity, combined with a hydrogen storage facility can provide an innovative solution to energy storage and distribution to address this challenge. The project will avoid 21 677 tonnes CO2 equivalent of greenhouse gas emissions during its first ten years of operation, attributed to the replacement of diesel fuel. The GreenH2CY project includes the installation and operation of a 2 megawatt (MW) Proton Exchange Membrane (PEM) electrolyser, a hydrogen storage facility and a re-fuelling station, in the same location. The hydrogen production unit is expected to produce approximately 150 tonnes of hydrogen fuel per year, which is equivalent to 627 tonnes of diesel fuel per year. The water used in the electrolyser will be supplied from tertiary treatment of wastewater from the Water Development Department of Larnaca, supporting a circular economy. In view of achieving the EU's climate neutrality objectives and moving away from the use of fossil fuels, the transport sector requires mid to long-term decarbonisation solutions. The green hydrogen fuel produced by the GreenH2CY project will be used in the mobility sector, specifically for light and heavy trucks of a large bakery chain. However, its use could be extended to any other vehicles engineered to use hydrogen fuel in order to replace fossil-fuels based vehicles. Due to an abundance of renewable energy, there is significant potential to produce green hydrogen in large quantities to use in both the mobility/transport sector (e.g. coaches, buses, saloon cars) and in the maritime sector (ports and marinas). The pilot project will create crucial understanding and experience in the generation, distribution and use of green hydrogen, thus contributing to the acceptance of hydrogen as a reliable and sustainable form of alternative fuel in Cyprus. Thanks to this learning, the project aims to scale-up production both at the project site and at other sites already identified.