SBAA POLICY ON COMMERCIAL RENEWABLE ENERGY PROJECTS

1. This statement sets out a Sovereign Base Areas Administration policy on commercial renewable energy projects (including photovoltaic installations).

2. The UK Government and the SBA Administration are in favour of renewable energy schemes, particularly those that would improve overall energy self-sufficiency in Cyprus, in which the Administration has a direct interest. The Administration has therefore no difficulty in principle with proposals for small-scale non-commercial renewable generation of electricity to serve the needs of individual residential or other premises within the SBAs; providing they do not affect UK military operations; and providing that they are sized to meet only the reasonable demands of the premises (also see annex). In such cases we would not regard the export of transient excess generation capacity to the electricity grid from such installations as being a commercial venture. Such proposals should be submitted in the normal way for consideration under the Streets and Buildings legislation.

3. The Administration would, however, regard private developments involving the planned generation of electricity with a view to achieving a net profit as commercial activities requiring a business licence under SBA legislation and governed by the current development restrictions within the Areas which are designed to give effect to the provisions of the 1960 Declaration by the UK Government relating to non-military development and to the establishment of civilian commercial or industrial enterprises. The Administration considers that such commercial activities do not fall within the current criteria for allowing new development or business activity in the Areas.

4. Discussions are under way between the SBAA and the RoC Government in relation to the wider issue of non-military development which may lead to a change in the Administration’s development and business policies in the future. Because existing planning controls within the Sovereign Base Areas were not intended to manage substantial development within the Areas, this would be likely to require the designation of planning zones within the Sovereign Base Areas and the adoption of associated development policies to mirror those in the Republic. Such a new planning regime would be implemented with the assistance of the competent authorities of the Republic and in consultation with local communities.

5. While the Administration retains discretion to consider exceptional cases, it is unlikely to exercise this discretion in respect of commercial renewable energy projects in advance of wider changes which
include the introduction of revised planning arrangements and business licensing criteria, allowing individual projects of this type to be properly considered within a comprehensive framework.
SBAA RENEWABLE ENERGY PROJECTS POLICY
GUIDELINES FOR PHOTOVOLTAIC INSTALLATIONS

1. This annex sets out criteria that the SBA Administration will use in assessing whether a proposal for a photovoltaic project can be regarded as a small scale, non-commercial renewable energy project. It draws on criteria used by the Republic of Cyprus Government to define small non-commercial projects (Ministry of Commerce, Industry and Tourism – Energy Institute “Grants Scheme – for the encouragement of use of renewable energy sources and energy conservation”).

   a. The capacity of the system should be not more than 7KW for systems connected to the EAC grid or, for autonomous photovoltaic systems (not connected to the grid), of a total capacity of not more than 20KW whether combined or not with other energy production systems.

   b. The premises must be fully licensed.

   c. The system must be installed on the roof of the licensed premises or on the ground within the same plot of land where the premises are located.

2. In regard to non-residential premises including those in commercial, agricultural, livestock or public use, the Administration would also be prepared to consider individually proposals for systems of not more than 150KW capacity that meet criteria b. and c. above and that can be independently shown to be sized only to meet the reasonable demands of the premises. In such cases, the Administration would expect to see a report by the EAC indicating the energy requirements of the affected premises for the last three years or, for newly erected premises, a report by a competent Electrical Engineer, Member of the Cyprus Scientific Technical Chamber, providing an estimate of the expected annual energy requirements of the said premises.