



MULTIFUNCTIONALITY IN FARMING

2023-PI-ALL-INNO-EDU-ENTERP-101140288

MILESTONE 3, Regional analysis of agricultural multifunctionality Cyprus (NUTS code: CY00)

Work Package 2, Activity 2.1

Responsible Partners:

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FIRST PART, general assessment of Regional Agriculture



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CY00	Cyprus
<p>INTRODUCTION: Cyprus, an island nation in the Eastern Mediterranean, is renowned for its rich history, cultural heritage, and diverse landscapes. Its strategic location has made it a crossroads of civilizations, influencing its agricultural practices and traditions. The country benefits from a Mediterranean climate, characterized by hot, dry summers and mild, wet winters, which makes it ideal for agriculture and tourism.</p> <p>Agriculture in Cyprus spans from fertile coastal plains to mountainous terrains, with major contributions from regions like Limassol, Larnaca, and Famagusta, in addition to Paphos. The cultivation of citrus fruits, vegetables, vineyards, and olives is integral to the country's agricultural sector. Additionally, Cyprus's cultural and historical significance, combined with its agricultural and rural development, makes it a vital part of the Mediterranean economy and heritage.</p>	
<p>Geography and Climate:</p>	<p>Cyprus boasts diverse geography, encompassing coastal areas, fertile plains, and mountainous regions. The Troodos Mountains dominate the central and southwestern parts, providing vital water sources for agriculture through rivers and streams. Coastal areas, particularly in Larnaca and Famagusta, are known for their sandy beaches and irrigated farmlands. Elevation ranges from sea level to 1,952 meters at Mount Olympus, creating microclimates suitable for various crops and livestock.</p> <p>Soil types vary from rich alluvial soils in valleys to rocky, limestone-rich terrains in the mountains. These variations support a wide range of agricultural activities, including citrus cultivation, vegetable farming, vineyards, and olive groves. The Mediterranean climate provides warm, dry summers (average temperatures: 25°C–33°C) and mild, wet winters (average temperatures: 8°C–15°C), with an annual rainfall of 300–500 mm, concentrated between November and March. This climate enables multiple harvests and supports year-round farming in some areas.</p>
<p>Crop Diversity</p>	<p>Agriculture in Cyprus is characterized by a remarkable diversity of crops, with specific regions excelling in certain types of production due to variations in soil composition, topography, and climatic conditions. This regional specialization reflects both the historical agricultural traditions of Cyprus and the modern advancements that have enhanced productivity and market competitiveness.</p> <p>Citrus Fruits Citrus fruit cultivation is a hallmark of Cypriot agriculture, particularly flourishing in the coastal regions of Limassol and Paphos. Oranges, lemons, and grapefruits dominate production, benefitting from the fertile alluvial soils and favorable Mediterranean climate. Modern irrigation systems play a pivotal</p>

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	<p>role in sustaining these crops, especially during the dry summer months, ensuring consistent yield and quality. These fruits not only cater to local markets but also hold a significant place in Cyprus's export portfolio, reaching international markets in Europe and the Middle East. The emphasis on sustainable irrigation practices further underscores the importance of citrus farming as a cornerstone of the island's agricultural economy.</p> <p>Vegetables The cultivation of vegetables is widespread across Cyprus, with fertile plains such as those in Famagusta and Paphos serving as primary hubs for production. Key crops include tomatoes, cucumbers, bell peppers, and potatoes, which thrive due to the region's optimal soil and climatic conditions. Advanced agricultural technologies, including greenhouse systems and precision irrigation, have been widely adopted to maximize efficiency and ensure high-quality output. These innovations allow Cypriot farmers to meet both domestic demands and export requirements, particularly in the off-season when European markets rely on imports from Mediterranean regions.</p> <p>Vineyards Viticulture has deep roots in Cypriot history, with vineyards predominantly situated in the mountainous regions of Limassol and Paphos. These areas provide ideal conditions for grape cultivation due to their limestone-rich soils, high altitudes, and microclimates that enhance grape quality. Indigenous grape varieties such as Xynisteri and Maratheftiko are particularly noteworthy, contributing to the unique wine profile of Cyprus. The country's wine industry has seen a resurgence in recent years, with local producers focusing on premium wines that capitalize on these native varieties, earning recognition in both regional and international markets.</p> <p>Olive Groves Olive cultivation is an integral aspect of Cyprus's agricultural identity, with a history spanning thousands of years. Regions like Larnaca and Paphos are renowned for their extensive olive groves, which produce high-quality olives and extra virgin olive oil. The well-drained, rocky soils of these areas are particularly suited to olive trees, ensuring robust growth and fruiting. Olive oil production in Cyprus is not only a staple of the local diet but also a significant export commodity, celebrated for its low acidity and rich flavor profile. The integration of traditional harvesting techniques with modern processing technologies has further enhanced the reputation of Cypriot olive oil on the global stage.</p> <p>Emerging Crops In recent years, the agricultural landscape of Cyprus has begun to diversify with the introduction of specialty crops such as herbs, spices, and tropical fruits like mangoes and avocados. These</p>

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	<p>crops are gaining popularity due to their high market value and export potential. Regions with favorable microclimates, particularly in the southern parts of the island, have embraced these crops, supported by research initiatives and government incentives aimed at promoting agricultural innovation. The cultivation of these specialty crops not only addresses market diversification but also aligns with global trends in sustainable and niche agriculture.</p> <p>Through its varied agricultural practices, Cyprus demonstrates a blend of tradition and innovation, leveraging its natural resources and modern technologies to support a robust and evolving agricultural sector. This diversity not only sustains the island's rural economy but also enhances its cultural and culinary identity on the international stage.</p>
Livestock and Animal Husbandry	<p>Livestock farming forms a critical pillar of Cyprus's agricultural sector, contributing significantly to rural livelihoods, food security, and the economy. It provides a steady supply of meat, milk, and other animal-based products for both domestic consumption and export. The sector reflects a blend of traditional pastoral practices and modern farming techniques, tailored to the unique geographic and climatic conditions of the island.</p> <p>Sheep and Goats</p> <p>Sheep and goat farming are the cornerstone of livestock production in Cyprus, particularly thriving in the mountainous and hilly regions of Troodos and Paphos. These areas offer abundant grazing land and suitable climatic conditions for these hardy animals, which are well-adapted to the island's semi-arid environment. Sheep and goats are primarily reared for their milk, which serves as the base for Cyprus's hallmark halloumi cheese, a Protected Designation of Origin (PDO) product recognized globally. Additionally, their meat is an integral part of Cypriot cuisine and cultural traditions. The sector employs many rural households and preserves traditional herding practices, although modern dairy farms are increasingly adopting advanced milking and breeding technologies to boost productivity and meet market demands.</p> <p>Poultry</p> <p>Poultry farming is a widespread and well-established practice in Cyprus, contributing a substantial share of the country's meat and egg supply. It is primarily concentrated in lowland areas and regions with access to reliable water resources. Modern poultry farms have embraced advanced technologies for feeding, breeding, and disease control, ensuring efficient production and high-quality output. Eggs and chicken meat are essential components of the Cypriot diet, with poultry farming meeting the bulk of local demand and supplying surplus products to export.</p>

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	<p>markets. The industry also plays a crucial role in reducing Cyprus's dependency on imported proteins, supporting food sovereignty.</p> <p>Cattle and Pigs Although relatively smaller in scale compared to sheep, goat, and poultry farming, cattle and pig farming remain integral to Cyprus's agricultural landscape. Cattle farming is focused on dairy production, with most operations located near urban centers like Nicosia and Larnaca to ensure efficient milk distribution. The dairy sector supports the production of various Cypriot cheeses and other dairy products that are staples of the local diet and important export items. Pig farming, while limited in scale, is also concentrated in larger farms near urban areas and contributes to the supply of pork, a key ingredient in Cypriot cuisine. The integration of modern feeding and waste management systems has improved sustainability and productivity in these sectors.</p> <p>Through its diverse livestock farming practices, Cyprus sustains its rural communities and meets the dietary needs of its population while contributing to its export economy. Challenges such as rising feed costs, climate change, and maintaining high animal welfare standards require ongoing innovation and support. However, with its combination of tradition and technology, the livestock sector continues to thrive as a cornerstone of Cypriot agriculture.</p>
Agricultural Economy	<p>Agriculture remains a fundamental pillar of Cyprus's rural economy, serving as a critical driver of GDP, employment, and export revenue. The sector's contributions extend beyond direct economic benefits, encompassing cultural heritage, rural development, and environmental sustainability.</p> <p>Economic Contribution The agricultural sector contributes approximately 2.5% to Cyprus's national GDP, reflecting its enduring importance despite the growth of other industries such as tourism and services. Key agricultural exports, including citrus fruits, halloumi cheese, and extra virgin olive oil, underpin the sector's economic relevance. These high-value products are not only central to the Cypriot identity but also enjoy strong demand in international markets, particularly within the European Union. The recognition of halloumi as a Protected Designation of Origin (PDO) product has further bolstered its export potential, adding significant value to the sector's output.</p> <p>Employment Agriculture and allied industries provide direct and indirect employment to approximately 30,000 individuals across Cyprus. This includes farmers, seasonal laborers, food processors, and</p>

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	<p>logistics personnel involved in the agricultural value chain. Rural areas, where alternative employment opportunities may be scarce, particularly benefit from the sector's labor demand. Seasonal employment peaks during harvesting periods for citrus, grapes, and other crops, offering vital income to rural households. Furthermore, the sector supports ancillary industries such as equipment manufacturing, irrigation services, and agricultural consulting, further enhancing its economic footprint.</p> <p>Market Challenges</p> <p>While agriculture in Cyprus has demonstrated resilience and adaptability, it faces several challenges that threaten its long-term sustainability and growth:</p> <ol style="list-style-type: none"> 1. Climate Change Changing weather patterns associated with climate change pose significant risks to agricultural productivity. Prolonged droughts, rising temperatures, and erratic rainfall adversely affect crop yields and increase reliance on irrigation. These climatic challenges are particularly pronounced for water-intensive crops such as citrus and vegetables, necessitating adaptive strategies such as drought-resistant crop varieties and precision irrigation technologies. 2. Water Scarcity Cyprus's semi-arid climate and limited freshwater resources exacerbate water scarcity, a persistent challenge for the agricultural sector. Despite the country's extensive irrigation infrastructure, prolonged dry periods place immense strain on water availability. Innovative water management practices, including rainwater harvesting and desalination, are critical to ensuring the sustainability of agriculture under these conditions. 3. Market Access and International Competition Ensuring access to international markets is vital for the profitability of Cypriot agricultural products. However, trade barriers, stringent export standards, and fluctuations in global demand pose significant challenges. Additionally, Cyprus faces stiff competition from larger agricultural exporters in the Mediterranean region, such as Spain and Italy, which benefit from economies of scale. To remain competitive, Cypriot farmers must focus on high-quality, niche products that differentiate their offerings in the global market. 4. Sustainability and Resource Management Balancing agricultural expansion with sustainable resource use remains a critical challenge. Overexploitation of land and water resources could compromise long-term agricultural productivity and environmental health. Integrating sustainable practices, such as crop rotation,

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	<p>organic farming, and renewable energy use, is essential to address these concerns.</p> <p>Through strategic investments, innovation, and policy support, agriculture in Cyprus continues to adapt to these challenges, ensuring its ongoing contribution to the nation's economy and the preservation of its rural heritage.</p>
<p>Cultural and Social Aspects</p>	<p>Agriculture in Cyprus is deeply embedded in the island's cultural fabric, influencing traditions, community life, and social identity. The agricultural sector not only provides economic sustenance but also preserves and celebrates the rich heritage of Cyprus through festivals, traditional crafts, and familial farming practices.</p> <p>Festivals</p> <p>Agricultural festivals are a vibrant expression of Cyprus's cultural heritage, attracting both local communities and international tourists. Events such as the Lemon Festival in Limassol and the Wine Festival in Paphos showcase the island's agricultural bounty and traditions. These festivals celebrate seasonal harvests, highlight the importance of crops like citrus fruits and grapes, and include activities such as traditional dancing, live music, and culinary exhibitions featuring locally sourced ingredients. The Wine Festival, in particular, emphasizes Cyprus's centuries-old winemaking tradition, featuring indigenous grape varieties like Xynisteri and Maratheftiko. These events strengthen community ties, promote agritourism, and serve as platforms for local producers to market their goods, contributing to both cultural preservation and economic growth.</p> <p>Traditional Crafts</p> <p>The intersection of agriculture and traditional crafts is evident in activities such as pottery, weaving, and olive oil pressing, which have been practiced for generations. Pottery often incorporates agricultural motifs, reflecting the symbiotic relationship between artisans and the farming community. Weaving, a craft tied to rural life, produces textiles that were historically essential for farming households. Olive oil pressing, a cornerstone of Cypriot agriculture, is not only an economic activity but also a cultural ritual, with traditional methods still demonstrated in rural villages. These crafts are showcased in local markets, festivals, and museums, offering insights into the historical integration of agriculture and culture. They also play a role in promoting sustainable tourism, as visitors seek authentic experiences rooted in Cypriot traditions.</p> <p>Social Significance</p> <p>The predominance of family-owned farms in Cyprus underscores the social importance of agriculture. These farms are often small-scale, operated by multiple generations of the same family, with knowledge and skills passed down through decades. Such practices reinforce community cohesion and preserve traditional farming methods that prioritize sustainability and</p>

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	biodiversity. The reliance on family labor fosters resilience during economic challenges, ensuring that agricultural practices remain viable despite market fluctuations. Furthermore, these farms serve as cultural repositories, preserving traditional techniques and recipes that are integral to Cypriot identity.



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SECOND PART – Deepening, broadening, regrounding: Cyprus case study



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Organic Farming	
CY00	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Organic farming in Cyprus builds upon the island's traditional agricultural heritage and favorable Mediterranean climate. Historically, Cypriot farmers relied on natural fertilizers (e.g., manure) and pest control through crop diversity and biological predators long before synthetic agro-chemicals became common. This legacy made the transition to formal organic practices more attainable as global interest in organic agriculture rose in the 2000s (. Cyprus's EU accession and the Common Agricultural Policy (CAP) accelerated this shift by incentivizing environmentally friendly farming. In line with EU Green Deal objectives, organic production is now seen as "a cornerstone" of sustainable agriculture in Cyprus (Cyprus Business News, 2024).</p> <p>The island's climate – characterized by hot, dry summers and mild, wet winters – is well-suited for many organic crops. Long sunny growing seasons allow for robust production of olives, citrus fruits, grapes, vegetables, and herbs with relatively fewer pest outbreaks (European Commission, 2020b). Seasonal temperature shifts naturally help suppress some pests, reducing the need for chemical pesticides. However, limited rainfall and frequent droughts pose challenges; organic farmers must adopt water-efficient practices (like drip irrigation and rainwater harvesting) to maintain yields. Soil management and biodiversity are central to Cypriot organic farming. Techniques such as crop rotation (to prevent nutrient depletion), composting (to enrich soil organic matter), and biological pest control (introducing beneficial insects and microbes) are widely used. These practices improve soil structure and fertility while avoiding synthetic fertilizers and pesticides, thus protecting local ecosystems. The sector is also gradually introducing drought-tolerant crop varieties to bolster climate resilience.</p> <p>Overall, Cyprus's organic farming aligns closely with EU sustainability goals. It contributes to climate change mitigation and biodiversity conservation by fostering healthier soils and landscapes. Importantly, it also resonates with growing consumer demand for chemical-free, eco-friendly foods. By blending time-honored farming wisdom with modern organic techniques, Cyprus is developing a model of agriculture that is both environmentally sound and culturally rooted. This approach supports the EU's Farm to Fork Strategy target of 25% organic agriculture by 2030</p>

	<p>(European Commission, 2020a) and aims for climate-neutral food production by mid-century.</p> <p>Quantification</p> <p>Organic farming remains a relatively small but fast-growing segment of Cypriot agriculture. In 2003, only 85 farmers were certified organic, managing a negligible 0.22% of the island's farmland (). Since then, the sector has expanded dramatically. By 2021 the total organically cultivated area reached 7,737 hectares (about 5.8% of all cultivated land) (Cyprus Mail, 2025). According to the Ministry of Agriculture, this involved 1,520 certified organic operators, of which 1,297 were primary producers and 223 were processors or traders (Cyprus Mail, 2025). Organic crops in Cyprus span a mix of arable and perennial products – primarily cereals, olives, carob trees, vineyards, vegetables, and aromatic herbs (Cyprus Mail, 2025). The organic livestock sector is modest, with only 24 organic livestock units (farms raising goats, sheep, cattle, or poultry under organic standards as of 2021) (Cyprus Mail, 2025).</p> <p>Recent years show an accelerating adoption of organic practices. By 2024, organic farmland accounted for roughly 8% of Cyprus's agricultural area – a jump that surpassed the interim target of 7.5% set for 2025 (). This suggests the organically managed area exceeded 10,000 hectares in 2024 (assuming total farmland remains constant). The number of organic producers has likewise grown to nearly 1,600 in 2024 (), indicating many conventional farmers have converted to organic methods in the past decade. Trends from Eurostat confirm steady growth: the share of organic land rose from about 3.4% in 2012 to 6.3% in 2021 (Knews Kathimerini, 2024).</p> <p>Looking ahead, Cyprus has set ambitious national targets for organic farming in line with EU objectives. A new National Organic Production Action Plan launched in 2023 aims to reach 10% of cultivated land under organic management by 2030 (Cyprus Business News, 2024). This is a significant increase but still below the EU-wide goal of 25% by 2030, reflecting Cyprus's later start and unique challenges. Nonetheless, the growth trajectory is positive: organic agriculture in Cyprus has gone from a niche practice to a mainstream component of the farming sector within two decades. If current trends continue, organic farming will command an increasingly sizable share of Cypriot agriculture, with thousands of additional hectares and farmers expected to convert in coming years.</p>
Economic aspect: the economic impact of the activity	Organic farming contributes in multiple ways to the Cypriot economy, especially at the rural community level. By providing premium market opportunities for small and medium-sized farms,

it helps sustain family farming and rural employment. Organic agriculture tends to be more labor-intensive (for tasks like manual weeding, diverse crop management, and on-farm composting), which can create jobs in the production, processing, and marketing of organic goods. The income generated through organic farming thus supports livelihoods in rural areas and can reduce rural depopulation by keeping farmers on the land ([IFOAM report](#)). Although organic farming still represents a minority of total agricultural output, it has a disproportionately positive impact on rural development by bolstering farm viability in marginal areas and encouraging younger farmers to remain in or enter agriculture.

Organic products also add value to the Cypriot export basket. Certain Cypriot organic goods – notably olive oil, olives, citrus fruits, grapes (for wine), and herbs – have gained recognition in international markets for their quality and authenticity. These products command premium prices abroad, enhancing export revenue. For example, Cyprus’s organic olive oil and aromatic herbs are marketed as niche, high-quality products within the EU, leveraging the island’s clean environment and traditional methods. Successful export performance in these categories not only brings income but also strengthens Cyprus’s reputation as a source of specialty organic foods ([Agricultural Research Institute](#)). This aligns with a broader national strategy to promote high-value agricultural exports and capitalize on growing global demand for organic and Mediterranean products.

Beyond direct sales, organic farming is increasingly intertwined with agritourism and ecotourism in Cyprus. Tourists interested in sustainability seek out experiences like farm stays, organic food tasting tours, farmers’ markets, and even volunteering on organic farms. Cypriot organic farms have begun to offer such activities, educating visitors about sustainable agriculture and traditional food production. This integration diversifies farm income – farmers can earn revenue from hospitality and educational services in addition to crops – and stimulates local economies by attracting tourists to rural regions. For instance, some organic vineyards and orchards offer farm-to-table dining or participatory harvest events, adding to their tourism appeal. The European Agricultural Fund for Rural Development has highlighted that linking organic agriculture with tourism provides a competitive advantage for rural areas ([European Commission, 2021b](#)). In Cyprus, this synergy helps preserve cultural heritage and farming landscapes while providing tourists with authentic experiences, thereby indirectly supporting the wider tourism sector.

Importantly, farm profitability under organic management can be robust despite typically lower yields. Organic products fetch price premiums in both domestic and foreign markets – consumers are willing to pay more for certified organic goods. Meanwhile, organic farmers often have lower input costs since they avoid expensive

	<p>synthetic fertilizers and pesticides, utilize on-farm resources, and may receive subsidies for environmental services. The result is that profit margins for organic farms can equal or exceed those of conventional farms. Studies indicate that organic farming can achieve significantly higher net returns per hectare, with some analyses suggesting around 20–30% higher profit margins on average due to the premium pricing and cost savings (FoodUnfolded, 2021). One estimate specific to Cyprus noted that organic farms have about 25% higher profit compared to similar conventional farms, after accounting for the price premiums and reduced chemical input expenses (). These economic benefits, however, usually materialize once farms are past the initial conversion period. During the 2–3 year transition when yields might drop and products can't yet be sold as organic, farmers face financial strain. Nonetheless, in the long run, organic farming can boost farm incomes and provide more stable returns, especially as consumer demand continues to rise. This economic rationale – alongside environmental motives – is a key driver for the increasing adoption of organic agriculture in Cyprus.</p>
<p>Main challenges of the activity in the region</p>	<p>Despite its growth, organic farming in Cyprus faces several challenges that limit its expansion and sustainability:</p> <ul style="list-style-type: none"> • Water Scarcity: Water is arguably the most pressing challenge. Cyprus's semi-arid climate and frequent droughts mean irrigation is essential for agriculture, yet freshwater resources are scarce. Organic farms, which often cultivate water-intensive crops like vegetables and citrus, must achieve high water-use efficiency to remain viable. They cannot rely on synthetic water-saving agents and must instead invest in solutions like drip irrigation and rainwater harvesting. In dry summers, competition for limited water supplies can put organic farmers at a disadvantage, and insufficient irrigation can threaten yields (European Commission, 2021c). Climate change exacerbates this issue by increasing the frequency of droughts and heatwaves, stressing both crops and water infrastructure. Thus, managing water efficiently (through advanced irrigation technology and drought-resistant crop varieties) is essential but can be costly. • Certification Costs: Obtaining and maintaining organic certification is an expensive and bureaucratic process, particularly for small farmers. Producers must undergo a 2–3 year conversion period and comply with stringent EU Regulation 2018/848 standards, which involve regular inspections, documentation, and fees. These certification and compliance costs impose a financial burden that deters some farmers from going organic (). For a small Cypriot farm, the upfront cost of organic certification in the first year

can consume a substantial portion of annual income, and there are ongoing annual inspection fees thereafter ([FoodUnfolded, 2021](#)). Additionally, during conversion farmers cannot market produce as organic despite following the rules, resulting in a temporary income gap. Without external support, many smallholders find the economics challenging. This barrier means that interest in organic farming may not translate into actual certified hectares unless farmers have sufficient financial backing or subsidies to offset the costs.

- **Limited Domestic Market:** The local market for organic products in Cyprus remains relatively small. Although awareness is improving, organic foods often carry higher prices that put off average consumers. Surveys show that while Cypriot consumers have a favorable attitude toward organic food, there is “much to be done to increase the consumption” of organic products ([European Journal of Food, 2021](#)). Many shoppers still opt for cheaper conventional produce, and some question whether the price premium is justified. Consequently, organic farmers cannot rely solely on local demand and often turn to export markets or niche retail (e.g., health food stores) to sell their produce. Dependence on exports, however, exposes them to international competition and market fluctuations. The small domestic market also means fewer distribution channels – organic farmers may struggle to get their products into mainstream supermarkets, which limits sales volume. Building consumer education and trust in organic labels is an ongoing challenge. Expanding the domestic organic market (through public awareness campaigns, dedicated organic farmers’ markets, or including organic foods in public procurement like school meal programs) is seen as crucial for the sector’s future growth ([European Commission, 2021d](#)).

These challenges underscore the need for targeted support and innovation. Investments in water infrastructure – such as subsidizing efficient irrigation systems or recycled water use – are critical to address the water issue. Financial assistance (through grants or continued CAP subsidies) can help farmers cover certification costs and survive the conversion period. Lastly, initiatives to stimulate local demand (for example, organic food promotion and education on its benefits, or consumer price incentives) would create a more robust home market for organic goods. By tackling water, cost, and market hurdles, Cyprus can ensure the continued growth and resilience of its organic farming sector.

What are the main national and local policies that influence the activity?

European Union Policies: As an EU member, Cyprus's agricultural agenda is shaped by the Common Agricultural Policy (CAP) and the European Green Deal's targets. The EU's Farm to Fork Strategy (under the Green Deal) explicitly aims for 25% of EU farmland to be organic by 2030, reflecting a high-level commitment to expanding organic farming (). To contribute to this goal, the CAP provides substantial support for organic conversion and maintenance. Organic farming is prioritized within CAP as a means to deliver public goods like environmental protection, rural development, and high-quality food production (). Under the CAP framework, Cyprus has access to EU funds that co-finance organic farming subsidies, rural development programs, and innovation projects. For instance, the CAP Strategic Plan 2023–2027 for Cyprus designates organic agriculture as a top priority, aligning with EU objectives of sustainability (). Through this plan, financial incentives are directed to farmers who adopt or continue organic practices. A concrete example is Rural Development Intervention 1.4 "Organic Farming," which has a total budget of about €22 million for 2023–2027 to support organic crop growers, livestock breeders, and beekeepers ([FastForward Cyprus, 2024](#)). This measure, largely funded by the EU, provides per-hectare payments and other aid to offset the lower yields and higher costs during organic farming. Indeed, by mid-2024 the Cyprus Agricultural Payments Organization had already disbursed over €5.2 million under this scheme to organic farmers, with 80% of funds coming from the EU (). Such subsidies make a crucial difference in farmers' ability to go organic.

National Policies: The Cypriot government has developed complementary national policies to foster organic farming. Chief among these is the National Organic Production Action Plan (2023–2030), introduced in September 2023. This Action Plan outlines 16 targeted actions to strengthen organic agriculture, including training programs, research initiatives, market development, and incentives for conversion (;). It sets the official national target of 10% organic farmland by 2030, up from a previous goal of 7.5% by 2025 (which has now been surpassed) (). The Action Plan is backed by significant funding – roughly €22 million is earmarked for developing organic farming, organic livestock, and apiculture in the coming years. This public investment signals a strong commitment to growing the sector. Additionally, Cyprus observes the EU's annual Organic Day (September 23) to raise awareness, and it participates in the European Action Plan for Organic Production, which suggests 23 actions for all member states (ranging from stimulating consumer demand to improving organic farmers' access to land and resources) ([Cyprus Mail, 2024](#)). National implementation of these actions includes efforts like organic promotion campaigns and integrating organic goals into school curricula and public procurement.

<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<p>Key Institutions: Several institutions at both national and grassroots levels work in tandem to implement these policies and support organic farmers:</p> <ul style="list-style-type: none"> • The Department of Agriculture (within the Ministry of Agriculture, Rural Development and Environment) is the regulatory authority overseeing organic farming standards and certification in Cyprus. It ensures compliance with EU organic regulations, manages the organic certification framework (often through accredited control bodies), and designs national support measures. The Ministry also collects data and reports on organic sector progress, as seen in its annual agricultural reports and press releases (Cyprus Mail, 2024). • The Cyprus Agricultural Payments Organization (CAPO) is the agency responsible for administering CAP funds domestically. CAPO processes applications and disburses payments for organic farming schemes under the Rural Development Program and other CAP instruments. For example, CAPO handles the contracts and payments to farmers in the Organic Farming measure (Action A.A.1.4) mentioned above (Knews Kathimerini, 2024). CAPO's efficient administration of EU funds ensures that farmers receive subsidies for organic cultivation, making the policy incentives a reality on the ground. • The Pancyprian Organic Farmers Association (POFA) – also referred to as the Cyprus Organic Farmers Association (COFA) – represents the collective interests of organic producers. This non-governmental association advocates for organic farmers in policy discussions and provides a support network for its members. COFA plays a multifaceted role: it offers guidance on certification procedures, technical advice on organic practices, and platforms for farmers to share knowledge. It frequently liaises with the Ministry of Agriculture to convey farmers' needs or challenges (for instance, lobbying for higher subsidy rates or simplified certification processes). COFA also partners with educational institutions to organize workshops and field days for farmers. By acting as a bridge between policymakers and practitioners, the association helps align agricultural policies with on-the-ground realities of organic farming. (Notably, COFA is involved in training initiatives discussed in the next section and in disseminating research from the Agricultural Research Institute to farmers.) • The Agricultural Research Institute (ARI) of Cyprus is another important institution. While not exclusively focused
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	<p>on organic farming, ARI conducts research on crop varieties, pest control, soil management, and irrigation that is highly relevant to organics. ARI scientists have trialed drought-resistant crop strains and biological pest management techniques (e.g., using natural predators or biopesticides) that can benefit organic growers. ARI often collaborates with universities and COFA to run pilot projects or demonstration plots showcasing sustainable practices. Through such research-extension linkages, innovations developed by ARI (such as composting methods to improve dry soils or integrated pest management for Mediterranean fruit flies) are transferred to organic farmers, improving the sector's productivity and resilience (Cyprus Agricultural Research Institute, 2022).</p> <p>In summary, a supportive policy framework is in place for organic farming in Cyprus, backed by institutions that provide financial aid, technical know-how, and advocacy. The alignment between EU policy (CAP and the Green Deal) and national initiatives (the Organic Action Plan, subsidies, training) creates a favorable environment for organic agriculture. Continued coordination among these institutions – and engagement with the farming community – will be critical to overcoming challenges and meeting Cyprus's organic growth targets in the coming years</p>
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>Cyprus has implemented several initiatives to promote organic farming, offering financial support and resources to encourage sustainable agricultural practices:</p> <ol style="list-style-type: none"> 1. Strategic CAP Plan 2023-2027: Under this plan, the Cyprus Agricultural Payments Organization (CAPO) has allocated over €5 million to beneficiaries through Action A.A. 1.4 - Organic Plant Production. This initiative provides financial support to farmers who adopt or maintain organic farming practices as defined by Regulation (EU) 2018/848. Knews 2. National Organic Production Action Plan: Launched in September 2023, this plan includes 16 targeted actions aimed at strengthening organic agriculture. It sets a goal to convert 10% of arable land to organic farming by 2030, surpassing the previous target of 7.5% set for 2025. Fast Forward 3. Rural Development Interventions 1.4 'Organic Farming': With a total budget of approximately €22 million, this program offers incentives to support farmers, livestock breeders, and beekeepers in increasing their engagement in the organic production sector. Fast Forward 4. EU Organic Day and National Funding: In alignment with the EU's goal of achieving 25% organic land by 2030, Cyprus has dedicated €22 million for the development of organic farming, livestock, and beekeeping. As of 2021, 5.8% of Cyprus's total cultivated area was dedicated to

	<p>organic products, with 1,520 companies involved in organic production. Cyprus Profile</p> <p>These programs reflect Cyprus's commitment to promoting organic farming through substantial financial support and strategic planning.</p>
Education and training opportunities	
<p>What training opportunity is available?</p>	<p>Building farmer expertise and public knowledge is vital for the expansion of organic farming. In Cyprus, several education and training initiatives support both new and experienced organic farmers:</p> <ul style="list-style-type: none"> • Atsas Organic Training Center: A notable dedicated facility is the Atsas Training Center, located in Katydata (Nicosia district). This non-profit center is certified by the Human Resource Development Authority (HRDA) of Cyprus as a Vocational Training Center and facility. Housed in a restored rural school, the Atsas Center provides hands-on training in sustainable agriculture, organic farming, and land stewardship. It regularly organizes seminars and workshops on topics such as permaculture design, organic olive cultivation, soil fertility management, and beekeeping. The center's mission is to serve local farming community needs – for example, by teaching composting techniques, water conservation in farming, and biodiversity preservation in crop systems (Atsas Organic Products Ltd., 2023). Atsas also invites international experts (e.g., experienced organic farmers, apiculture specialists) to lead training sessions. By offering these learning opportunities in a rural setting, the center helps farmers acquire practical skills to improve their organic practices and encourages sustainable development in the region. • Pancyprian Organic Farmers Association (POFA/COFA): The national organic farmers' association itself is a hub for knowledge-sharing. The association provides its members with resources like organic production manuals, guidelines, and even online videos demonstrating techniques. It holds periodic meetings and lectures where successful organic farmers or agronomists speak about best practices (for instance, natural pest control methods or organic hydroponics for vegetables). The association often partners with the Department of Agriculture to run information days explaining new EU organic regulations or how to apply for subsidies. These efforts help keep farmers up-to-date and lower the knowledge barriers to entering organic farming. Additionally, POFA participates in public awareness events

	<p>(like organic food festivals and school outreach), which educate consumers and aspiring young farmers about the benefits of organic agriculture (Cyprus Organic Farmers Association, 2022).</p> <ul style="list-style-type: none"> • CLUSTER Training Program: An example of an internationally funded initiative is the CLUSTER project, implemented by the Cyprus Chamber of Commerce and Industry (CCCI) in collaboration with Mediterranean partners. CLUSTER (an ENI CBC Med program) focuses on upskilling youth and women in sustainable economy sectors, including organic farming. Through this program, trainees receive both classroom instruction and practical internships on organic farms. The curriculum addresses issues like soil degradation due to chemicals and promotes regenerative techniques for arid environments (European Commission, 2021d). Participants learn about organic greenhouse management, compost production, and marketing of organic produce. By targeting unemployed or aspiring farmers, the CLUSTER project helps build a new generation of skilled organic practitioners. It also fosters cross-border knowledge exchange – for example, sharing experiences between Cypriot organic farmers and those in Italy or Jordan under the same project. Such international cooperation exposes Cypriot trainees to a wider range of organic innovations and business models.
<p>What is the role of the university and research in the development of this specific activity?</p>	<p>Cyprus's universities contribute to education in organic agriculture through formal curricula and research initiatives. The Cyprus University of Technology (CUT), particularly its Department of Agricultural Sciences, Biotechnology and Food Science, offers courses and degrees that encompass sustainable and organic farming. For instance, CUT's M.Sc. program in Agricultural Biotechnology includes modules on organic production methods and plant health management without synthetic inputs (European Commission, 2021c). Students receive a scientific foundation in soil microbiology, entomology, and crop science geared towards sustainable practices. Moreover, university research projects often directly benefit the organic sector. At CUT and other institutions, researchers are exploring drought-tolerant crop varieties, organic pest control (like use of entomopathogenic fungi to combat insect pests), and techniques to enhance the nutritional quality of organic produce. The results are disseminated through academic publications and field days. CUT and the University of Cyprus also sometimes collaborate with ARI and the Ministry on trials – for example, testing organic treatments for olive tree diseases. By educating young professionals and generating home-grown research, Cypriot universities play a key role in advancing organic farming knowledge.</p>

	<ul style="list-style-type: none"> • Agricultural Research Institute (ARI) Outreach: In addition to conducting research, ARI engages in farmer training. ARI experts periodically lead workshops on topics such as organic orchard management, biological pest control, and water-saving irrigation for organic farms. These trainings often occur on research stations or model farms, allowing farmers to see experimental organic plots firsthand. ARI is also involved in EU-funded projects (under Horizon 2020/Europe) that include training components. For example, Cyprus participates in initiatives like OrganicTargets4EU (2022–2026) – a Horizon Europe project aiming to develop strategies to reach the 25% organic land target (OrganicTargets4EU, 2022). Through such projects, Cypriot researchers and farmers join networks with other countries to exchange best practices. ARI might send staff to international workshops or host foreign experts in Cyprus, facilitating a two-way knowledge flow. <p>Overall, Cyprus has been strengthening its education and training ecosystem for organic farming. From grassroots farmer field schools to university labs, multiple avenues exist for learning. These efforts are crucial to empower farmers with the know-how to overcome technical challenges (like pest management without chemicals or fertilizing organic plots effectively). They also build a community of practice that encourages innovation. As organic farming grows, continued investment in training – possibly via new Horizon Europe projects, Erasmus+ exchanges for students in organic agriculture, and expansion of vocational programs – will ensure that Cypriot farmers are equipped to adopt the latest and best organic techniques.</p>
SWOT analysis	
Strengths:	<ul style="list-style-type: none"> • Favorable Mediterranean Climate: Cyprus’s climate of hot summers and mild winters allows a long growing season ideal for many Mediterranean crops (olives, grapes, citrus, etc.) under organic management. The abundant sunshine and relatively low humidity reduce some disease pressures, and winter cold snaps help naturally curb pest populations (European Commission, 2020b). This climate enables multiple crop cycles per year (e.g., spring and fall vegetables) and high-quality production without heavy chemical inputs. The island’s diverse microclimates (coastal plains vs. mountainous areas) also let farmers cultivate a wide range of organic crops. • Growing Consumer Demand: There is a rising demand for organic products both locally and in Europe. Health-conscious and environmentally aware consumers

	<p>increasingly prefer organic food, supporting premium prices. In Cyprus, public interest in organic produce has been bolstered by food safety concerns and lifestyle trends. European markets, in particular, show strong appetite for organic Mediterranean products. This demand trend provides organic farmers with expanding market opportunities and the ability to command higher incomes. It also incentivizes conventional farmers to convert, knowing there is willingness to pay for organic quality.</p> <ul style="list-style-type: none"> • Supportive Policies and Subsidies: Cypriot organic farmers benefit from significant policy support at EU and national levels. The CAP provides grants for organic farming (covering conversion costs, annual per-hectare payments, etc.), and the national government has introduced subsidies and tax incentives to encourage sustainable farming. These financial supports help offset the higher costs and lower yields associated with organic farming, making it more economically feasible. Moreover, clear targets and action plans from authorities give strategic direction to the sector. This policy environment, backed by the €22 million Organic Action Plan, helps sustain the growth of organics even when market conditions are tough. • Integration with Agrotourism: Cyprus's burgeoning agrotourism sector complements organic farming. Many organic farms have capitalized on tourism by offering on-farm experiences – such as eco-tourism retreats, farm tours, and organic wine tasting. As global tourism trends shift toward authentic and sustainable experiences, Cyprus can leverage its organic farms to attract visitors. This synergy is a unique strength: it diversifies farmers' income (additional revenue from tourism), educates the public, and creates a virtuous cycle where tourists become buyers of Cypriot organic products. The island's rich cultural history of farming (e.g., traditional olive presses, vineyards) adds to the appeal for tourists seeking genuine farm experiences (European Commission, 2021b).
Weaknesses:	<ul style="list-style-type: none"> • High Certification & Compliance Costs: The cost of organic certification and compliance is a significant weakness, especially for the small farms that dominate Cypriot agriculture. Fees for inspection, extensive record-keeping requirements, and the need to implement new infrastructure (e.g., separate storage for organic produce) strain limited farm budgets (European Commission, 2020b). Without economies of scale, many farmers find the bureaucracy and cost daunting. This is compounded by initial yield declines during conversion and the inability to market produce as

organic in that period, causing income loss. Thus, despite interest, some farmers hesitate to join the organic scheme or drop out after a few years due to the financial and administrative burden.

- **Water Scarcity and Irrigation Challenges:** As noted, Cyprus faces chronic water scarcity, which particularly hampers organic farming. Organic methods often require careful water management since synthetic growth stimulants are not used. Droughts can severely reduce organic yields, and setting up efficient irrigation (drip systems, rainwater tanks) is capital-intensive. Some organic farms must purchase expensive water (e.g., tanker or desalinated water) in dry years, raising costs. Limited water also restricts expansion into certain crops; for instance, organic orchards or vegetable gardens might not be viable in regions without reliable irrigation. This vulnerability to water availability makes organic producers more exposed to climate variability than farmers in wetter countries.
- **Small Domestic Market:** The local market for organic products is limited in size. While growing, it is still niche – organic foods account for only a small fraction of total food sales in Cyprus. Many consumers remain price-sensitive, and organic options in mainstream retail are limited (few supermarkets carry a wide organic range). This means organic farmers cannot easily sell large volumes domestically and achieve scale. Instead, they incur extra costs to pack and ship products abroad or rely on sporadic tourist sales. The weak domestic demand also discourages farmers from converting, as they worry about finding buyers. In essence, the sector currently lacks a strong home-market foundation, making it reliant on export partners and specialty buyers.
- **Soil Fertility Issues in Some Areas:** Certain farming areas in Cyprus (especially in the semi-arid south or mountain foothills) have soils with low organic matter and fertility after years of conventional cultivation or erosion. Under organic restrictions (no synthetic fertilizers), improving these soils is slow and laborious – requiring heavy use of compost, green manures, and extended crop rotations. Farmers must invest extra effort to build soil health to acceptable levels for decent yields (European Commission, 2021d). This can be a deterrent, as conventional fertilizers would provide quick nutrient fixes. Additionally, some soils suffer from salinity (due to long-term irrigation) or shallow topsoil layers; organic methods to remediate such problems (like biochar or agroforestry) are not yet widespread in Cyprus. Thus, natural soil constraints can make organic farming less

	<p>productive initially, highlighting a weakness in certain regions.</p>
<p>Opportunities:</p>	<ul style="list-style-type: none"> • Expansion in Export Markets: With organic demand rising across Europe, Cyprus has the opportunity to expand its organic exports. EU countries import significant quantities of organic produce, and Cyprus could tap into markets for products where it has a comparative advantage – for example, organic olive oil, carobs, citrus, wine, and cheeses. By obtaining and maintaining EU organic certification, Cypriot products can be sold under the EU organic logo throughout the single market, often at premium prices. There is room to grow export volumes, penetrate new high-income markets (such as Germany or Scandinavia, where organic spending per capita is high), and further develop Cyprus’s brand as an organic producer. Success in exports can in turn drive sector growth domestically, as more farmers convert to meet external demand. • Innovation in Sustainable Agri-Tech: Technological advancement presents a major opportunity to overcome some limitations of organic farming. Precision agriculture tools, for instance, can optimize resource use – drip irrigation with sensors can deliver water precisely when and where needed, and drones or imaging can help monitor crop health to target organic treatments more effectively. New organic-compatible inputs are also emerging (like biostimulants, natural pest pheromones, improved composting systems). Embracing these innovations could boost yields and reduce labor in organic systems. Moreover, digitization (smartphone apps linking organic producers to consumers, or blockchain traceability to enhance consumer trust) can open marketing and efficiency gains. If Cypriot farmers and institutions invest in and adopt such technologies, the organic sector could become more competitive and resilient. Partnerships with tech companies or participation in EU research projects (e.g., on precision irrigation or organic no-till techniques) would facilitate this. • Education and Research Collaboration: Strengthening ties between farmers, universities, and research institutes offers an opportunity to continuously improve organic farming practices. Knowledge transfer can address current gaps – for example, localized research on pest cycles in Cyprus can inform better organic pest control strategies for the island’s conditions. Collaboration through workshops, demonstration farms, and pilot projects can introduce farmers to novel methods (such as compost tea for plant nutrition or polyculture systems that naturally suppress

	<p>pests). Additionally, Cyprus can leverage international research networks focused on organic farming. Participation in Horizon Europe projects or IFOAM conferences can bring in expertise from abroad and showcase Cypriot innovations. By being at the cutting edge of organic R&D, Cyprus can adapt global best practices to its context (like water-saving organic methods suitable for semi-arid climates). This will improve productivity and could turn challenges into opportunities (for example, developing a model for dryland organic farming that could be exported to other countries).</p> <ul style="list-style-type: none"> • Rising Eco-Conscious Consumer Base: Globally and locally, the number of eco-conscious consumers is growing. In Cyprus, public awareness of health, nutrition, and sustainability has been increasing, especially among younger generations and expatriate residents. This presents an opportunity to significantly expand the domestic market for organic products. Through effective marketing that highlights the health benefits (no pesticide residues) and environmental benefits (supporting local biodiversity, lower carbon footprint) of organic foods, producers can convert more regular shoppers into organic buyers (European Journal of Food, 2021). There is also opportunity in product differentiation – for instance, producing organic versions of traditional Cypriot foods (like organic Halloumi cheese or organic village wine) that appeal to national pride as well as health. If Cyprus can cultivate a strong base of loyal organic consumers at home, farmers will have more reliable outlets and can plan expansion with confidence. The broader shift toward “green” lifestyles (solar energy, eco-tourism, organic food, etc.) in society supports this opportunity, and Cyprus’s tourism can also play a role: visitors who experience local organic products may increase demand for them in their home countries or through export channels.
Threats:	<ul style="list-style-type: none"> • Climate Change Intensification: In the Eastern Mediterranean, climate change is expected to bring higher temperatures, more erratic rainfall, and prolonged droughts. These trends pose a serious threat to organic farming. With already tight water resources, further decreases in rainfall or changes in weather patterns could undermine crop yields and make some land non-viable without irrigation. Extreme weather events (heatwaves, flash floods) can also disproportionately affect organic farms that rely on stable natural cycles. For example, a severe drought could ruin rain-fed organic grain crops, or unusual warmth could lead to off-season pest or disease outbreaks. While all farmers

face climate risks, organic farmers have fewer quick-fix tools (such as synthetic chemical interventions) and thus could be more vulnerable to these stresses. Adapting to climate change may require significant investment (e.g., constructing water reservoirs, installing shade nets, changing crop calendars) that not all farmers can afford, potentially leading some to abandon organic practices.

- **Global Market Volatility:** The organic sector in Cyprus is increasingly linked to global markets, especially the EU market. This exposes farmers to price volatility and competition. If consumer preferences shift or economic downturns occur, demand for premium organic products might stagnate or decline (as organic food is often seen as a luxury during recessions). Changes in trade policies, such as new import requirements or disruptions in transport, can also hit exports. Moreover, currency fluctuations (e.g., euro exchange rates) affect export profitability for Cypriot producers. The COVID-19 pandemic, for instance, showed how supply chain disruptions can impact food exports. Organic farmers, being fewer and smaller in scale, have less cushion against such shocks compared to larger conventional agribusinesses. Heavy reliance on a few export markets or products (say, mainly selling organic oranges to a couple of EU countries) is risky – a slump in those markets would directly threaten farmers’ incomes. Diversifying markets and having contingency plans is necessary to mitigate this threat.
- **Pest and Disease Pressure:** Organic farming restricts the use of synthetic pesticides and veterinary drugs, which can make controlling pests, weeds, and diseases more challenging. Cyprus’s warm climate, while an advantage, also means many pests can survive year-round or reproduce rapidly (for example, the olive fruit fly or the tomato borer). If a new invasive pest or pathogen arrives (an increasing concern with globalized trade and shifting climate zones), organic farmers might struggle to manage it with the limited tools allowed. A severe pest outbreak could cause major crop losses; for example, an infestation of locusts or a novel fungal disease in vineyards would be hard to contain organically. Similarly, organic livestock farmers face threats from diseases (like those affecting sheep/goats) where treatment options are limited. The vulnerability to biological threats is thus higher – unless continuous monitoring and proactive biological controls are in place, a single event can wipe out an organic farm’s production for the season. This threat underscores the importance of ongoing research into robust organic pest control and the need for quick support measures (perhaps

	<p>emergency regulatory exemptions or compensation) when such events occur.</p> <ul style="list-style-type: none"> • Competition from Larger Producers: On the international stage, Cyprus's organic producers face stiff competition from larger organic farming countries. Nations like Spain, Italy, and Greece have far more extensive organic areas (tens or hundreds of thousands of hectares) and benefit from economies of scale in production and marketing. They can often offer organic products at lower prices due to bulk production, more developed supply chains, and strong cooperatives. For example, Spanish organic citrus or Italian organic olive oil might undercut Cypriot prices in EU supermarkets, making it hard for Cypriot products to gain shelf space. Additionally, these countries have well-established organic brands and certifications recognized by consumers. Cyprus, with its much smaller output, might struggle to compete in commodity organic markets (like generic bulk olive oil). This competition threat means Cypriot farmers must focus on differentiation – such as superior quality, unique local varieties, or geographical indications – to avoid direct price wars. It also means Cyprus should look to niche markets rather than the mass market, finding segments where its smaller scale is less of an issue (for instance, specialty gourmet stores rather than large discount retailers).
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High Quality Products Production	
CY01	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Cyprus's agriculture emphasizes premium goods – notably Halloumi cheese, high-grade olive oil, and select fruits (mandarins, pomegranates, figs). These products blend centuries-old tradition with modern technology. For example, Halloumi (a brined sheep/goat cheese flavored with mint) was granted EU PDO status in 2021eur-lex.europa.eu. Today its dairies use stainless-steel vats and automated lines, but must still follow the artisanal recipe. EU PDO rules now require raising the sheep/goat milk content to 51% by 2028knews.kathimerini.com.cy, reinforcing Halloumi's authenticity. Olive oil production likewise unites the old and new: olives are handpicked and cold-pressed, then centrifuged and filtered under inert gas to yield extra-virgin quality. The Agriculture Ministry even maintains an IOC-accredited tasting panel to grade oils. Many Cypriot specialty products carry EU GI labels (PDO/PGI), legally enforcing strict methods and underpinning their global reputation.</p> <p>Quantification</p> <ul style="list-style-type: none"> • Olive Oil: Cyprus cultivates ~9,000 ha of olive groves, yielding on the order of 4–5 kilotonnes of oil (mostly extra-virgin) in a typical year. However, it is a minor exporter: in 2021 Cyprus exported only about \$1.27 million of virgin olive oilwits.worldbank.org (mostly to nearby EU markets and niche buyers). • Citrus & Fruits: About 3,300 ha are planted in orchards (≈2,350 ha of citrus, mainly mandarins/oranges). Total citrus production is on the order of 25–30 kt per yearcitrusindustry.net. The fruit output includes domestic sales and some exports (fresh citrus to the Middle East and EU). Other specialty fruits (figs, pomegranates) add a few thousand tons more. • Halloumi Cheese: The modern dairy sector processes roughly 40 million liters of milk from sheep, goats and cows. Halloumi production has surged – Cyprus made ~39,000 t in 2023 and 42,427 t in 2024cbn.com.cy. Some 30–80 dairies (including cooperatives) are registered under the Halloumi PDO scheme; dozens more family cheesemakers operate at smaller scales. <p>Overall, high-quality products occupy a significant footprint relative to Cyprus's size. Thousands of smallholders contribute: for olives, thousands of growers bring harvests to ~33 modern mills; for milk,</p>

	<p>hundreds of farmers supply the dairies; for fruit, many family orchards complement a few larger estates.</p>
<p>Economic aspect: the economic impact of the activity</p>	<p>- Halloumi: This cheese is a linchpin of the rural economy. In 2024 Cyprus exported ~€324–350 million worth of Halloumi cbn.com.cy – roughly 18–19% of all goods exports – to over 50 countries (UK alone buys ~44%). Halloumi ranks as the <i>second</i> largest export product for Cyprus cbn.com.cy. The PDO label commands a price premium and assures buyers of authenticity. Halloumi processing supports roughly 2% of GDP cbn.com.cy and employs on the order of 10–15 thousand people cbn.com.cy when counting farmers, cheesemakers, packaging, transport and sales. Recent investments underscore this importance: e.g. a new state-of-the-art Halloumi plant in Tseri (opened 2024) was built with a €40 million investment cbn.com.cy, boosting local milk demand and export capacity.</p> <p>- Olive Oil: The oil sector is far smaller. Even though Cyprus produces several thousand tonnes of extra-virgin oil, it exports only a few million euros' worth annually. Most oil is bottled and sold domestically (especially to tourists) or in niche gourmet markets abroad. Producers capture extra value by marketing PDO olive oil and even olive-based products (soaps, cosmetics). Olive farming provides a steady, though modest, income for many mountain communities.</p> <p>- Citrus and Fruits: Citrus is the largest fruit crop. Cyprus exports fresh and processed citrus (juices, canned) mainly to EU and Middle Eastern markets – on the order of €20–30 million per year in citrus products. Specialty fruits (pomegranates, cherries, organic mandarins) fetch higher prices in niche markets. Fruit farming is relatively labor-intensive but much of the revenue still goes to supermarkets; farmers benefit from CAP supports (e.g. insurance, area payments) to stabilize income.</p> <p>- Value-Added and Multipliers: PDO/PGI status adds tangible value – GI products typically sell at 20–50% price premium over generic analogues. Packaging (branded jars, gift cans), logistics (cold storage, container shipping) and food tourism all multiply the benefits. For example, agritourism itineraries (farm visits, cooking workshops) allow producers to sell directly to tourists at higher margins. The success of Halloumi and traditional olive oil also stimulates related sectors: demand for forage (feed for goats/sheep), cheese-making equipment, and even health-food marketing (Mediterranean diet trends).</p>
<p>Main challenges of the activity in the region</p>	<p>Cyprus's high-quality sectors face several hurdles:</p> <ul style="list-style-type: none"> • Intense Competition: Other Mediterranean countries (Greece, Italy, Spain, Turkey) also produce PDO cheeses and EVOO at much larger scale and lower cost. Maintaining a unique market niche is hard when rivals flood the market. For Halloumi, a particular challenge is imitation – “grilling cheese” or “Cypriot-style cheese” sold outside the EU can

	<p>confuse consumers and weaken the Cyprus brand (even though within the EU the PDO name is protected).</p> <ul style="list-style-type: none"> • High Costs and Scale: Sheep and goat milk (essential for authentic Halloumi) is expensive to raise. Labor and feed costs are high, and many farms are small. Achieving economies of scale while following strict PDO rules (e.g. manual brining, limited cow milk) raises production costs. Small volumes also limit bargaining power for inputs and financing. • Climate and Resources: Cyprus's semi-arid climate means frequent droughts and heatwaves. Water scarcity forces difficult choices; for example, irrigating olive groves versus vegetable crops. Climate models warn potential yield declines if temperatures keep rising. Extreme weather (late frosts or scorching summers) can damage citrus blossoms, reduce oil yields, or stress livestock. Farmers must invest in adaptation (drought-tolerant varieties, efficient irrigation, hail nets), which requires capital and knowledge. • Logistics and Isolation: As an island, Cyprus pays a penalty in export freight. Even sending Halloumi or olive oil to Europe involves sea transport (longer time, cold-chain cost) or air freight (expensive). This isolates Cypriot products compared to land-connected neighbors. Small scale means frequent shipments of modest size, driving up per-unit costs. • Marketing and Policy Risks: Cypriot producers generally have smaller marketing budgets than multinational rivals. Limited funds for international advertising and trade shows make brand building slow. Changes in policy (e.g. future CAP reforms, trade barriers) or exchange rates (a stronger euro) could suddenly squeeze margins. A single bad publicity event (e.g. quality scandal) could disproportionately harm the tight-knit Cyprus reputation for "organic heritage".
Policies and institutions	
<p>What are the main national and local policies that influence the activity?</p>	<p>Cyprus benefits from supportive EU and national frameworks, though bureaucracy can be a hurdle. Key supports include:</p> <ul style="list-style-type: none"> • EU CAP (Common Agricultural Policy): Under CAP Pillar II, Cyprus farmers can receive co-funding for quality schemes (e.g. covering part of PDO/PGI certification costs) and for modernization of farms and processing plants. EU Rural Development funds have financed new olive mills and on-farm infrastructure. The EU's Promotion of Agricultural Products programmes (via the EU Commission) periodically fund marketing campaigns highlighting Cypriot olive oil, Halloumi and other specialties abroad. • National Policy: The Cyprus CAP Strategic Plan (2023–27) explicitly allocates payments to priority sectors like small ruminants (goats, sheep), organic farming, and agrotourism – indirectly boosting high-quality production.

	<p>The Ministry of Agriculture (MARADE) runs extension services and grants. For Halloumi, a public-private Halloumi PDO Consortium (with the Ministry and dairy representatives) coordinates implementation of standards. The government also streamlined the PDO application process; for example, Cyprus extended a transitional period to meet the 51% goat/goat rule knews.kathimerini.com.cy.</p> <ul style="list-style-type: none"> • Producer Organizations: Industry groups play vital roles. The Cyprus Dairy Producers Association (cheesemakers' union) lobbies for sector interests, provides technical training on hygiene and standards, and helped negotiate the Halloumi PDO rules. The Cyprus Olive Oil Producers Association (and related cooperatives) runs quality labs and training for growers, and brands Cypriot oil in export promotions. The Cyprus Chamber of Commerce (CCCI) also includes 'Mediterranean Food' committees that help companies export. Farmer cooperatives (e.g. mandarin growers' co-ops) coordinate harvest and marketing of specialty fruits. • Research Institutes: The Agricultural Research Institute (ARI) develops new varieties and techniques (e.g. drought-tolerant olive cultivars, improved goat/sheep breeds) to enhance product quality and resilience. University research (e.g. Cyprus University of Technology, University of Nicosia) is increasingly focused on value-added foods (antioxidant-enriched oils, new cheese maturations), food science and agribusiness studies. ARI and universities often collaborate on EU Horizon and bilateral projects (for example, studying olive oil's health compounds or developing "smart vineyard" technologies).
<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<ul style="list-style-type: none"> - Ministry of Agriculture, Rural Development and Environment (– the chief regulatory authority setting standards, issuing PDO/PGI decrees (e.g. Halloumi/Hellim), and overseeing agricultural policy implementation (CAP, food safety). Its departments include the Department of Agriculture (research and extension), Plant Breeding & Variety Registration, Animal Production & Health, and the Agricultural Payments Organization (administers CAP subsidies and quality scheme payments). - Agricultural Research Institute (ARI) – national research center in Nicosia; conducts crop and livestock R&D (e.g. breeding drought-tolerant olive and grape varieties, improved goat/sheep lines, irrigation and post-harvest trials). ARI runs extension services and pilot projects to raise product quality (e.g. new mandarin varieties) and advises on PDO standards. - Universities & Research Centers – play a key role in innovation: e.g. Cyprus University of Technology (food science and nutrition) researches value-added processes (innovative olive oil processing, dairy technologies), and the Cyprus Institute has recently developed a "Troodos Mountain Agriculture" quality label (a voluntary standard for mountain-grown fruits and

	<p>vegetables)labmanagementmea.comhortidaily.com. The University of Cyprus and University of Nicosia also have agri-economics and agribusiness programs, hosting conferences and training on Mediterranean food systems.</p> <ul style="list-style-type: none"> - Producer Associations and Cooperatives – sectoral bodies lobby and support quality products. For example, the Cyprus Dairy Producers’ Association and Cyprus Olive Oil Producers’ Association advocate for cheesemakers and olive growers. The Cyprus Chamber of Commerce & Industry (CCCI) through its Mediterranean Food Committee promotes exports (e.g. halloumi, olive oil) and helped form the Halloumi Monitoring Committee. Local farmers’ cooperatives (e.g. citrus/mandarin grower unions, mountain-vegetable cooperatives in Troodos) provide collective marketing and training resourcesfile-fpjptenprqw85dvje5afn7. - Certification and Promotion Bodies – accredited control bodies certify organic and PDO products (e.g. CERTIFYBIO Ltd, LACON Institute have EU accreditation for organic farming certificationmec.gov.cymec.gov.cy). The Ministry of Commerce and Industry launched the “Cyprus Made – Unique by origin” trademark (2022) as a voluntary brand for Cypriot PDO/PGI foods and other local craftsknews.kathimerini.com.cyknews.kathimerini.com.cy. Although still under development, this national brand (managed by the Commerce and Agriculture ministries) aims to enhance the visibility of high-quality Cyprus products in international markets.
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<ul style="list-style-type: none"> - CAP Funding (EU/Common Agricultural Policy) – Cyprus’s 2023–27 CAP Strategic Plan allocates roughly €454 million total (238.2M in direct payments; 197.7M in rural development) to support farming and rural developmentagriculture.ec.europa.eu. A significant share is earmarked for environmental/agri-environment schemes (e.g. 56% of rural dev’ funds are for climate objectivesagriculture.ec.europa.eu) and quality schemes. Specific CAP measures co-finance PDO/PGI certification fees, organic conversion payments and modernization grants. For example, CAP Pillar II funds pay a portion of PDO/PGI/organic inspection costs, and measure grants have been available for new farm machinery, irrigation systems and food-processing equipment. The CAP plan also includes national “eco-schemes” (~€48.6M) and aid for generational renewal (young farmers’ scheme, ~€7.23M)agriculture.ec.europa.eu. - National Investment Plan (€60M, 2025) – in early 2025 the government unveiled a €60 million Modernization and Competitiveness Plan for agriculturehortidaily.com. This “Big Investment Plan” (Council decision, Oct 2024) provides grants for 10 priority areas: e.g. €29.5M for sheep/goat farm modernization (boosting Halloumi milk supply), €3M for crop-protection/irrigation infrastructure, €6M for renewables on farms, €2M for vineyards and fruit, etchortidaily.com. Separate lines of aid were set for young/new farmers (€7.5M total with individual grants €20–50k) and specialized modernization (smart irrigation, waste management). A streamlined licensing process was introduced to cut red tape. This plan is explicitly tied to strengthening exportable

	<p>PDO products: e.g. expanding goat and sheep herd capacity for Halloumi, upgrading dairy plants, and supporting premium citrus/olive oil production ekathimerini.comhortidaily.com.</p> <p>- Halloumi/Goat Sector Measures – In response to PDO requirements, a Halloumi Monitoring Committee (under MARADE and CCCI leadership) introduced targeted incentives for cheesemakers and sheep/goat farmers. In late 2024 they increased headage subsidies for high goat-and-sheep milk yield and imposed stricter milk-delivery rules to ensure fair competition ekathimerini.com. The government has also adjusted Halloumi production quotas and milk quotas to smooth supply (e.g. extending production quotas temporarily ekathimerini.com). These measures aim to stabilize Halloumi output and protect its PDO status.</p> <p>- Rural Development and EU Grants – Cyprus farmers access EU rural development and promotion programs. For example, national Rural Dev. sub-measures have funded organic farming conversion, farm diversification (including agritourism guesthouses), and farm advisory services. In addition, EU “Promotion of Agricultural Products” programs (CAP-funded) periodically co-finance international marketing campaigns for Cypriot products (e.g. recent olive oil and halloumi promotions to Asia/Middle East markets). The EU’s European Innovation Partnerships (EIP-AGRI) and Horizon/PRIMA R&D grants have also supported local projects: notably the 3PRO-TROODOS research project (2019–23, funded by Cyprus’s Research & Innovation Foundation and ERDF) developed standards for mountain products and agribusiness improvements labmanagementmea.com.</p>
Education and training opportunities	
<p>What training opportunity is available?</p>	<p>Skilled labor is nurtured through a mix of vocational programs and higher education:</p> <ul style="list-style-type: none"> • Vocational Courses: The Agricultural Training Schools (e.g. at Vasilikon Farm) and private trainers offer short courses on artisanal cheesemaking, olive mill operation, and organic farming practices. For example, workshops in “craft Halloumi” and “PDO/PGI compliance” are run by extension services and the cheesemakers’ association. The Cooperative Movement often organizes field days on pruning, harvest techniques, or integrated pest management for fruit growers. • Academic Programs: Cyprus University of Technology (CUT) provides undergraduate and masters courses in food science, nutrition, and agro-environmental management. Graduate research projects at CUT include improving olive oil quality (e.g. using ultrasound to infuse antioxidants) and dairy technology. The University of Nicosia has agricultural economics and agribusiness seminars – for instance, analyzing export market trends for Halloumi and consumer

	<p>preferences for Cypriot products. These institutions also host seminars and conferences on Mediterranean foods.</p> <ul style="list-style-type: none"> • Extension and Exchange: The Ministry’s technical advisors give ongoing training to farmers and processors (on milking hygiene, olive pruning, etc.). There are exchange programs and study tours – e.g. Cypriot olive growers visiting Spanish cooperatives, or cheesemakers attending EU seminars. The sector also taps into EU networks (like the European Innovation Partnership for agricultural productivity) to learn best practices. • Agrotourism and Public Awareness: Educational tourism is growing. Many rural villages now offer “farm visits” where participants help feed goats or hand-grate cheese under supervision. Local NGOs and the Cyprus Organic Farming Association conduct open farm days and “olive harvest festivals” that teach young people and tourists about traditional methods. These efforts not only train but also promote the products (often visitors later buy Halloumi/olive oil as gifts).
<p>What is the role of the university and research in the development of this specific activity?</p>	<ul style="list-style-type: none"> - New Varieties and Agrotechnology: ARI and university teams develop and disseminate improved cultivars and farming methods suited to Cyprus’s conditions. For instance, breeding programs have produced new disease- and drought-resistant vine, olive and citrus varieties with better flavor/nutrient profiles. ARI runs field genebanks of traditional crops and collaborates on national variety catalogs. Ongoing research (often in EU projects) is enhancing table olive and wine grape quality, and developing Mediterranean-adapted fodder/forage for small ruminants, which supports higher-quality milk (and thus Halloumi) production. Mbdj.com - Food Science and Processing: Academic labs improve processing technologies to add value. CUT’s Food & Nutrition Dept. has worked on enhancing olive oil nutritional quality (e.g. using ultrasound to infuse antioxidants) and optimizing traditional cheese production methods (improving yields, food safety and shelf-life). The University of Cyprus and Cyprus Institute contribute expertise in food chemistry and safety, helping standardize analytical testing (e.g. rapid DNA or spectroscopic methods to detect Halloumi fraud) and traceability. The Cyprus Institute’s Mountain Agriculture Troodos label project is a notable example: it set voluntary quality criteria (environmental, hygiene and socioeconomic) for high-altitude produce, aiding traceability and marketing of Troodos-grown fruits/vegetables labmanagementmea.com. - Traceability and Sustainability: Research institutions are piloting digital traceability systems for Cypriot products. Efforts include blockchain pilots (within EU projects) and smartphone-based tracking of products from farm to fork. Universities also study life-cycle and economic analyses to make PDO production more efficient and environmentally sustainable. Academic experts advise on quality certifications and provide training on EU food law compliance.

	<p>- Extension and Training: Universities partner with ARI to deliver outreach. Agri-science departments run demonstration farms, short courses and degree programs (e.g. Master's in Mediterranean Agriculture at UCY/CUT). They host national seminars (often co-funded by EU or CAP) on topics like organic farming, olive mill innovations, agri-food marketing, and agrotourism development. This builds farmer knowledge on best practices (e.g. improved pruning, milking hygiene, organic pest control) that underpin high product quality.</p>
SWOT analysis	
Strengths:	<p>Well-recognized brands and labels (Halloumi PDO; high-quality Cypriot olive oil)cbn.com.cy; a favorable Mediterranean climate (sunny, dry summers; mild winters) that naturally suits vines, olives and citrus; a centuries-old heritage of cheesemaking and oil pressing; and strong niche appeal (the “authenticity” of Cypriot rural products).</p> <p>Institutional support (EU/CAP funding, ARI and university R&D, cooperatives) further underpins quality. Halloumi, in particular, is already the second-largest Cypriot export productcbn.com.cy, showing the sector’s competitive edge abroad.</p>
Weaknesses:	<p>The sector’s scale is limited. Cyprus has ~35,000 farms averaging just 3 ha (75% under 2 ha)agriculture.ec.europa.eu, so economies of scale are weak. Fragmented land holdings increase labor and management costs.</p> <p>High input costs (water, energy and feed imports on an arid island) raise production expenses relative to global commodity prices. Strict PDO rules ensure quality but limit flexibility (e.g. Halloumi’s PDO disallows cow’s milk and mandates traditional processing), which can constrain output expansion.</p> <p>Marketing and branding capacity is modest – many small producers lack export experience or funds for promotion. The domestic market is tiny (<0.2% of GDP)trendeconomy.com, so growth depends on exports; yet Cypriot firms are mostly SMEs without large distribution networks. This makes it hard to match the scale of international competitors, especially in price-sensitive markets.</p>
Opportunities:	<p>Growing global demand for authentic “Mediterranean diet” products – consumers worldwide pay premiums for artisanal cheeses and EVOO. For example, USDA analysts forecast Cyprus’s mandarin output to grow from ~25 kt to 30 kt due to new variety adoptioncitrusindustry.net, reflecting rising demand. Cyprus can expand non-EU markets (Asia, Middle East, North</p>

	<p>America), leveraging free-trade deals (e.g. with Canada) and e-commerce platforms.</p> <p>Product innovation is another avenue: flavored/aged Halloumi, infused olive oils, or new organic / gourmet lines can attract connoisseurs. Agrotourism and direct farm sales remain underexploited – tourists who visit olive groves and cheese farms tend to become loyal buyers.</p>
Threats:	<p>Climate change: increasing droughts, heatwaves, and erratic rains threaten yields and quality (e.g. stressed animals give poorer milk; olives may over-ripen or suffer fruit fly infestations). Water scarcity may force competition between high-value crops and other needs.</p> <p>Market volatility: World commodity swings (e.g. a global olive oil surplus) can drive prices down, and large producers can undercut Cypriot niche prices. Halloumi's reliance on a few markets (UK, Greece, etc.) leaves it exposed to trade policy shifts (e.g. Brexit complications or US tariff threats). Imitation and branding erosion: Despite the EU PDO, "Halloumi-style" cheeses made outside Cyprus (e.g. in Australia or US) can tarnish the name abroad. Any food safety or fraud incident (even unrelated to PDO producers) could damage the overall image of Cypriot products.</p> <p>Finally, policy changes (e.g. tighter environmental regulations, reduced CAP subsidies) could increase costs or compliance burdens if not phased in with support.</p>

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Short Linkages between Production and Consumption in Cyprus	
CY01	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Short food supply chains (SFSCs) are understood as systems in which foods can be traced to a specific farmer with minimal intermediaries publications.jrc.ec.europa.eu. The EU <i>Farm to Fork</i> strategy explicitly encourages such shorter chains to improve resilience and reduce long-distance transport (e.g. support for local markets) food.ec.europa.eu food.ec.europa.eu. In Cyprus, SFSCs take several forms:</p> <ul style="list-style-type: none"> • Farmers’ markets: These open-air markets (e.g. Nicosia’s OHI market, Paphos and Limassol weekly markets) allow producers to sell directly to consumers. The Department of Agriculture actively promotes and incentivises farmers’ markets island-wide to support producers moa.gov.cy. New legislation has even defined “public markets” where only farmers may sell, with the aim of narrowing the price gap between producer and consumer in-cyprus.philenews.com. • Farm gate and farm shops: Some farmers sell produce directly from their farms or cooperatives, through on-site shops or collective outlets (e.g. local co-op stores selling fruits, cheeses, honey, etc.). These outlets bypass multiple middlemen. (Cyprus law also defines “local” product sales within 75 km radius, encouraging such farm sales.) • Community-Supported Agriculture (CSA) schemes: A few CSA/cooperative models (where consumers subscribe to a farm’s harvest) are emerging in Cyprus, though they remain limited. These schemes exemplify SFSC principles by building direct producer–consumer relationships. • Digital platforms: New online channels are enabling direct sales. For example, a Cypriot vertical farm (HerbanLeaf) created an online ordering and delivery platform during COVID-19 to serve consumers across the island freightfarms.com. Likewise, the government launched “e-Kofini,” a digital price observatory providing transparent producer/retail price data, indirectly supporting fairness in supply chains freshplaza.com. <p>All these forms align with EU policy: for instance, the EU defines SFSCs broadly to include on-farm sales, farmers’ markets, box</p>

	<p>schemes and local deliveries publications.jrc.ec.europa.eu, and the <i>Farm to Fork</i> strategy urges Member States to “create shorter supply chains” to enhance local food system resilience food.ec.europa.eu. In Cyprus, the Agriculture Ministry notes that direct on-farm sales and collective markets allow “<i>immediate communication of producer with consumer, building trust</i>” moa.gov.cy, and strengthen links between agriculture, tourism and local catering moa.gov.cy. Thus, Cyprus’s SFSCs include traditional outlets and are increasingly supported by digital innovation, all encouraged by EU and national agri-food policy.</p> <p>Precise official statistics on Cyprus’s SFSCs are limited. However, EU/CAP planning documents provide partial data. The Cyprus RDP 2014–2022 projected that only about 1.8% of farms would participate in local marketing circuits or quality schemes agriculture.ec.europa.eu. In line with this, the RDP reports support to about 50 farms under the dedicated short-supply-chain/local market measure (M16.4) agriculture.ec.europa.eu. Under the new CAP Strategic Plan (2023–27), Indicator R10 targets roughly 4.77% of farms to participate in producer groups, local markets or quality schemes eucapnetwork.ec.europa.eu. In absolute terms, this still represents a small number of holdings in a country of ~17,000 farms. Official figures for the total number of farmers’ markets, farm shops, CSA schemes or online outlets are not published in Ministry or Eurostat reports. Likewise, aggregate volumes or values of direct sales (e.g. tonnes or turnover sold through SFSCs) have not been reported. Thus, available data suggest that SFSCs currently involve only a modest fraction of Cypriot agriculture (on the order of a few dozen to a few hundred farms) agriculture.ec.europa.eu.</p>
<p>Economic aspect: the economic impact of the activity</p>	<p>SFSCs can deliver multiple economic benefits in Cyprus. By cutting out intermediaries, farmers retain a larger share of the retail price. The Department of Agriculture explicitly notes that shorter chains can “<i>improve farm income</i>” and “<i>stabilize retail prices</i>” moa.gov.cy. Recent market reforms seek to achieve this: for example, a 2024 law transfers farmers’ markets oversight to the Agriculture Ministry so that “<i>public markets will operate exclusively with the participation of producers ... in order to reduce the gap in producer and consumer prices</i>” in-cyprus.philenews.com. In practice, SFSCs also diversify rural income. Local markets and agritourism attract tourists and consumers to rural areas. Cyprus’s RDP envisioned cooperation among chain actors; it planned 12 pilot projects (EIP-AGRI Operational Groups) to develop innovative short-chain products and practices agriculture.ec.europa.eu. LEADER-funded local development strategies (4 Local Action Groups in Cyprus agriculture.ec.europa.eu) are expected to create jobs – around 20</p>

	<p>new rural jobs – often linked to agri-tourism and local food processing agriculture.ec.europa.eu. These initiatives help keep spending in the local economy and can revitalize villages through farm-to-fork events.</p> <p>On the demand side, Cypriot consumers show strong interest in local foods. A Eurobarometer found 87% of Europeans (including Cyprus) cite a “short supply chain” as an important purchase criterion agriculture.ec.europa.eu, reflecting high demand for provenance and freshness. This consumer preference can stimulate local sales. Moreover, SFSCs enhance resilience: <i>Farm to Fork</i> notes that promoting local/regional supply chains “will support reducing dependence on long-haul transportation”, bolstering food security food.ec.europa.eu. During COVID-19, for instance, some Cypriot producers (e.g. indoor farms) successfully shifted to home-delivery models to reach consumers despite lockdowns freightfarms.com. In summary, even though SFSCs represent a small share of Cyprus’s agriculture, they can improve farm revenues, generate rural jobs and income streams, and respond to growing consumer demand for local, sustainable food moa.gov.cy agriculture.ec.europa.eu.</p>
Main challenges of the activity in the region	<p>Infrastructure gaps: Rural areas in Cyprus suffer from limited infrastructure. Broadband coverage is among the lowest in the EU ec.europa.eu, impeding digital marketing and e-commerce for farm products. Many villages lack high-speed internet or modern storage/transport facilities, making it hard to connect producers with urban consumers.</p> <p>Digital divide: High costs and slow rural internet (Cyprus ranks near last in EU broadband performance ec.europa.eu) limit online sales platforms. Producers without IT skills or access struggle to reach buyers via apps or websites.</p> <p>Regulatory hurdles: Until recently, farmers’ markets operated in a legal grey area. New legislation is only now defining “public markets” for local products incyprus.philenews.com. Complex food safety and labelling rules (e.g. hygiene standards for fresh produce, distance-sales rules, organic certification) impose burdensome costs on small farmers. These regulatory requirements can discourage informal direct sales.</p> <p>Consumer awareness and price sensitivity: While demand for local food exists, many consumers prioritize price and convenience. A majority of Cypriots expect reasonable food prices (75% of respondents in one EU survey) agriculture.ec.europa.eu. Local producers, often having higher per-unit costs, may find it hard to compete on price. Low public awareness of SFSC opportunities (where to buy directly) also limits demand.</p>

	<p>Limited marketing/organizational capacity: Most Cypriot farms are small and family-run cyprusprofile.com. Farmers often lack training in direct marketing, branding or online sales. The EU has emphasized that “<i>training and knowledge exchange in marketing and communication</i>” is needed to support SFSCs publications.jrc.ec.europa.eu. In Cyprus, few programmes have so far imparted these skills, leaving many producers unprepared to organize direct sales or add value (e.g. by processing).</p>
<p>Policies and institutions</p>	
<p>What are the main national and local policies that influence the activity?</p>	<p>Policy Framework: Short food chains in Cyprus are shaped by both EU and national policies. At EU level, the Common Agricultural Policy (CAP) and the Farm-to-Fork Strategy are key. The CAP Strategic Plan 2023–27 for Cyprus includes measures under the “Agri-food chain development” objective (e.g. producer groups, marketing) to support local markets eucap-network.ec.europa.eu. For instance, Indicator R10 targets 4.77% of farms to join producer groups or local quality schemes eu-cap-network.ec.europa.eu. The EU <i>Farm to Fork</i> strategy explicitly calls for strengthening shorter, local supply chains to make food systems more resilient and sustainable food.ec.europa.eu food.ec.europa.eu. These EU policies complement national programs. Cyprus’s Rural Development Plans (2014–22 and 2023–27) contain measures for local product promotion, agri-tourism, and producer cooperation. Under RDP 2014–22, short-chain development was part of Priority 3 (marketing and cooperation), with specific support for local markets and quality products agriculture.ec.europa.eu. The government also encourages organic farming and PDO/PGI labelling to add value to local products cypruspro.com, indirectly benefitting SFSCs by branding.</p>
<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<p>The principal authority is the Ministry of Agriculture, Rural Development and Environment (Agricultural Policy and Development Divisions), which designs agricultural strategy and administers CAP/RDP funds (including measures for SFSCs) incyprus.philenews.com. The Cyprus Agricultural Payments Organization (CAPO) manages the disbursement of EU CAP and RDP subsidies to farmers (e.g. payments for producer group projects, training, investments). At the local level, four LEADER Local Action Groups (LAGs) operate under RDP 2014–22, implementing community-led development strategies in rural areas agriculture.ec.europa.eu. These LAGs sponsor projects such as farmers’ markets, tourist routes and small processing units. Other bodies include producer cooperatives (e.g. Fruit Producer Groups, dairy unions), which help organize sales; the Agricultural Research Institute (ARI) and universities, which advise on technologies and new crops; and the Cyprus Rural Network/EIP-AGRI platform, which shares best practices in short chains.</p>

<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>Funding and Incentives: European and national funds support SFSCs through several instruments. Under the RDP 2014–22, Measure 16.4 (Short Supply Chains and Local Markets) offered grants for collective marketing actions. The RDP cofinancing for local chain initiatives was modest (~€0.28 million under M16) agriculture.ec.europa.eu, reflecting the program’s small scale. LEADER (RDP Measure 19) allocated about €13.7 million (4.12% of public RDP funds) to community-led projects, including farm markets and rural tourism agriculture.ec.europa.eu. Other RDP measures also encourage SFSCs indirectly: for example, funding for processing facilities (fruit/dairy) or for agri-tourism accommodations. The CAP EAFRD also funds producer organizations (Regulation (EU) 1308/2013) that can undertake joint short-chain marketing. Beyond RDP, the state budget and EU funds (e.g. ERDF/ESF) may finance rural infrastructure (roads, broadband) and advisory services. Notably, the RDP foresaw about 12 co-operation projects (EIP Operational Groups) on innovative value chains, explicitly including short supply chains and local markets agriculture.ec.europa.eu. In summary, support comes via a mix of CAP/RDP grants (for training, investment, cooperation) and targeted programs (e.g. young farmer schemes, agri-tourism grants), often requiring co-financing by farmers.</p>
<p>Education and training opportunities</p>	
<p>What training opportunity is available?</p>	<p>Under rural development, Cyprus provides numerous training slots for farmers. RDP 2014–22 aimed to train 2,800 farmers in areas including production techniques, climate-smart practices and marketing agriculture.ec.europa.eu. These courses often cover business and direct-sales topics, and there is an emphasis on young farmers. For example, specialized workshops on farm-product marketing, online sales or agro-tourism entrepreneurship have been organized by cooperatives and EU-funded projects. Extension services periodically hold seminars on topics like branding local produce or complying with organic standards. However, there is no dedicated national program solely for SFSC marketing, and participation tends to be voluntary. (The CAP 2023–27 plan continues to fund the Farm Advisory Service, which may advise farmers on direct marketing.)</p>
<p>What is the role of the university and research in the development of this specific activity?</p>	<p>Academic and Research Support: Cypriot universities and institutes play a growing role.</p> <p>The University of Cyprus and Cyprus University of Technology offer degrees and modules in agricultural economics, food science and rural development, where direct marketing is studied.</p> <p>The University of Central Lancashire (Cyprus campus), for instance, now offers a diploma in agriculture and animal husbandry cyprusprofile.com.</p>

	<p>Research bodies like the Cyprus Institute and ARI lead projects on high-value local crops (e.g. carob, medicinal plants) and sustainable practices cyprusprofile.com, indirectly supporting SFSCs by developing new products.</p> <p>Universities frequently collaborate with farmers on demonstration projects (e.g. drought-resistant varieties) cyprusprofile.com, and they publish guides on organic and local foods. The EU JRC has noted that funding knowledge exchange is “important” for SFSC success publications.jrc.ec.europa.eu, and indeed Cyprus’s RDP-funded Operational Groups and LEADER projects include training components. In practice, however, more coordinated educational initiatives (e.g. accredited courses in direct marketing) are needed.</p>
SWOT analysis	
Strengths:	<p>Cyprus has a strong tradition of high-quality local produce (fruits, olives, cheeses) and rich agricultural heritage, which support consumer trust in farm-direct sales moa.gov.cy. The country’s small farms and niche products (PDO cheeses, Commandaria wine) fit well with SFSC models. Official backing is strong: the government has registered many PDO/PGI labels to add value cyprusprofile.com and actively promotes farmers’ markets and agri-tourism. Consumer demand is also a positive factor: a large majority of Cypriots value locally sourced, sustainable foods agriculture.ec.europa.eu. Finally, integrating agriculture with tourism (wine routes, local food festivals) creates synergy, giving tourists opportunities to buy directly from farmers moa.gov.cy.</p>
Weaknesses:	<p>Cyprus’s farm sector is highly fragmented: about 90% of holdings are under 5 acres cyprusprofile.com, limiting scale economies for marketing and distribution. Most farms lack capital and modern facilities (cold storage, transport) to consistently supply markets. Broadband and ICT services in rural areas are poor ec.europa.eu, so many producers cannot exploit online sales.</p> <p>Regulatory and certification burdens (especially for exports or organic labels) disproportionately affect small operators. In addition, domestic consumer awareness of SFSCs is still nascent, and many buyers remain price-sensitive agriculture.ec.europa.eu, which restricts the willingness to pay premiums for local products.</p>
Opportunities:	<p>EU and national policies continue to favour SFSC expansion, providing funding and regulatory support food.ec.europa.eu. The <i>Farm to Fork</i> trend and growing emphasis on food security highlight SFSCs as a resilience strategy, opening potential grants and pilot projects.</p> <p>Tourism growth provides a unique market: visitors increasingly seek authentic farm experiences and local gastronomy, which Cyprus can leverage through farm-stays and markets. Technological tools (social media marketing, digital payments, online marketplaces) offer new channels for small producers to reach urban customers.</p>

	<p>The proliferation of quality labels (PDO/PGI/organic) adds branding opportunities to repackage Cypriot products as premium local goods cyprusprofile.com. Moreover, younger, university-educated farmers (as noted with UCLan's programs cyprusprofile.com) bring innovation and marketing savvy into agriculture.</p>
Threats:	<p>Climate change poses a severe threat: extreme events (droughts, heat) already impact Cypriot crops, and 92% of Europeans recognize climate impacts on food supply agriculture.ec.europa.eu.</p> <p>Water scarcity in Cyprus may force reductions in irrigated farming, squeezing fruit and vegetable producers who often sell direct.</p> <p>Global market pressures are another threat: cheap imports or supermarket private labels compete with local producers.</p> <p>Economic volatility (e.g. inflation, fuel costs) raises production and distribution costs.</p> <p>Finally, an aging farmer population (despite some younger entrants cyprusprofile.com) could limit innovation and continuity in SFSCs, especially as older farmers may lack digital skills.</p>

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Agritourism in Cyprus	
CY01	Cyprus
Technical information (state of art of the activity)	

Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)

Agritourism in Cyprus emerged in the 1980s and 1990s as a strategy to diversify the tourism product and revitalize rural areas. The Cyprus Tourism Organisation (CTO) – now the Deputy Ministry of Tourism – launched programs to restore village homes and repurpose them for tourism, leading to the establishment of the Cyprus Agrotourism Company in 1996 to coordinate and promote rural tourism ([Neapolis University Pafos, 2018](#)); [Cyprus Agrotourism Company, 2023](#). This early integration of tourism with agricultural communities provided visitors an immersive glimpse into Cypriot village life – from the “simple, serene rhythms of rural life” to folk customs and traditional cuisine ([Neapolis University Pafos, 2018](#)). Such efforts made agritourism an autonomous, vibrant part of Cyprus’s tourism sector, offering an authentic alternative to the mass “sun-and-sea” model ([Neapolis University Pafos, 2018](#)).

Today, agritourism in Cyprus is recognized as a pillar of sustainable tourism development, intertwining closely with environmental and cultural preservation goals. Visitors can participate in farm-based experiences like halloumi cheese-making, olive picking, grape harvesting, and wine tasting, which both celebrate and help sustain the island’s agricultural heritage ([Philenews, 2021](#)). Scenic vineyard villages and mountain hamlets host these activities, allowing travelers to connect with Cyprus’s rich rural culture while enjoying nature. This niche of tourism directly supports the protection of traditional practices – for example, many agritourism lodgings are lovingly preserved stone houses, and local festivals and crafts (lace-making in Lefkara, pottery, etc.) are showcased to guests. In essence, agritourism serves a dual purpose: diversifying rural incomes and preserving cultural landscapes, in line with global trends favoring experiential and heritage-based travel ([European Commission, 2021d](#); [Academia.edu, 2022](#)).

From a policy perspective, Cyprus’s agritourism aligns with European frameworks for sustainable rural development. The European Union’s Common Agricultural Policy (CAP) and directives like the European Green Deal encourage member states to support rural economies through eco-friendly initiatives, including agro-tourism ([European Commission, 2021d](#) (https://cyprus.representation.ec.europa.eu/strategy-and-priorities/key-eu-policies-cyprus/agriculture-and-rural-development-cyprus_en)). Cyprus has capitalized on these policies to bolster agritourism offerings, leveraging EU funds for rural infrastructure, heritage conservation, and farm diversification. For instance, EU-supported rural development programs have co-financed the restoration of traditional accommodations and the creation of nature trails and museums in villages ([European Commission, 2021d](#)). This synergy between agriculture and tourism also advances Cyprus’s sustainable tourism strategy: agritourism helps combat rural depopulation by providing local employment, promotes environmental stewardship by prioritizing local produce and low-impact activities, and reinforces the island’s image as an authentic, year-round destination ([European Commission, 2021d](#)). In sum, through agritourism Cyprus has integrated its traditional agricultural lifestyle with modern tourism in a way that supports

both cultural heritage and sustainability goals, marking a noteworthy evolution from a small 1990s initiative to a mature sector today.

Quantification of the Sector

Cyprus's agritourism sector, while niche, has grown steadily and measurably over the past decade. **Scale and distribution:** As of 2024, there are over 190 officially designated agritourism accommodations spread across approximately 60 villages nationwide (Philenews [2021](#)). These establishments range from small family-run guesthouses to boutique rural hotels, often clustered in picturesque mountain areas. Key regions include the Troodos mountain villages and wine-growing communities of Paphos district, though all districts (Larnaca, Limassol, Nicosia, Famagusta) host some agritourism sites (Cyprus Agrotourism Company, 2023 (<https://www.agrotourism.com.cy/about-us>)). The Cyprus Agrotourism Company alone has more than 150 member businesses offering countryside stays and experiences (Cyprus [Agrotourism Company, 2023](#)), up from just 7 members at its inception – highlighting the expansion in provider numbers.

Visitor numbers and profile: Agritourism in Cyprus attracts on the order of 50,000 visitors annually in recent years (Cyprus Agrotourism (Cyprus [Agrotourism Company, 2023](#))). These include international eco-tourists and cultural travelers, as well as Cypriot urban residents seeking a rural retreat. While this is a modest fraction of Cyprus's overall tourist arrivals (~4 million in 2024) (Reporter, 2024), it represents a dedicated market segment. Tourists in this segment typically stay in traditional village inns or farm stays and engage in activities like vineyard tours, fruit picking, beekeeping demonstrations, and traditional cooking classes. Such interactive offerings – e.g., making bread in a wood-fired oven or sampling freshly pressed olive oil – have become common services at agritourism establishments ([Academia.edu, 2022](#); [Philenews, 2021](#)). The visitor experience is often multi-sensory and seasonal: in spring, guests might attend rose festivals or orange harvests; in autumn, grape harvest and winemaking; in winter, tasting village wines by the fireplace. This variety helps extend tourist interest beyond the summer beach season.

Growth trends (5–10 year horizon): The agritourism sector has shown robust growth over the past decade, partly as a result of strategic development and changing tourist preferences. Industry analyses estimate roughly 15–20% annual growth in agritourism demand since around 2018 ([YASOO Cyprus, 2019](#)). The number of registered agritourism establishments surpassed 150 in the early 2020s, up from about 100 a decade prior ([YASOO Cyprus, 2019](#); (Cyprus [Agrotourism Company, 2023](#)). Even accounting for the disruption of COVID-19 in 2020–2021, rural tourism bounced back strongly: arrivals to traditional rural accommodations in 2024 were 17% higher than in 2023 and 42% higher than five years earlier ([Cyprus Business News, 2024](#)). Overnight stays in these accommodations rose 36% above 2019 levels ([Cyprus Business News, 2024](#)), indicating not only recovery but new growth. This reflects broader trends of tourists seeking open-air, socially distanced vacation options post-pandemic, as well as successful marketing of Cyprus's countryside. The Deputy Ministry of Tourism

	<p>has noted that an increasing share of tourists are visiting outside the peak summer months, which is “particularly important for agritourism” (Reporter, 2024). In summary, Cyprus’s agritourism sector now encompasses roughly 100–150 active enterprises, tens of thousands of visitors per year, and a steadily rising contribution to the overall tourism mix, bolstered by a diversification of services and experiences offered across the island.</p>
<p>Economic aspect: the economic impact of the activity</p>	<p>Agritourism generates significant direct and indirect economic benefits for Cyprus, especially in rural communities. In terms of direct revenue, recent estimates peg the annual contribution of agritourism to the Cypriot economy at roughly €20–40 million (YASOO Cyprus, 2019). This includes revenues from lodging, farm experience fees, and associated tourist spending in villages. While a relatively small share of Cyprus’s overall tourism earnings (for context, total tourism revenues were about €3.2 billion in 2024) (Cyprus Business News, 2024), agritourism’s value lies in its targeted impact: these earnings flow directly into rural areas rather than coastal resorts. Every euro spent on a farmhouse B&B or a local winery tour supports local families and businesses, creating a multiplier effect in the village economy. Studies indicate that agritourism spending ripples outward by stimulating demand for local products and services – for example, visitors often purchase traditional foods, wines, and handicrafts directly from producers, injecting money into agricultural supply chains (Academia.edu, 2022)</p> <p>The sector’s role in employment and livelihoods is also notable. Approximately 1,500+ jobs are supported by agritourism in Cyprus (YASOO Cyprus, 2019). These include direct employment (family members running guesthouses, tour guides, staff at rural hotels, etc.) as well as indirect jobs (craft artisans, food suppliers, activity instructors). Many of these jobs are in areas with otherwise limited employment opportunities, thereby contributing to rural development and social cohesion. Importantly, agritourism often provides supplementary income for farming families. Over 150 farms engage in some agritourism activities on-site (Academia.edu, 2022) – be it hosting tourists for olive-picking or selling homemade jam – which diversifies and stabilizes their earnings in the face of fluctuating crop prices or climate challenges. This additional income stream can be the difference that enables young family members to remain in agriculture rather than migrating to urban jobs, thus helping to combat rural depopulation.</p> <p>Beyond revenue and jobs, agritourism has a broader multiplier effect on rural development. The presence of tourists in villages creates demand for infrastructure and services: local tavernas and cafés see increased patronage; municipalities invest in improving roads, signage, and utilities to cater to visitors; and idle heritage</p>

	<p>buildings find new life as museums or shops. The government reports that its rural revitalization plan is funding over 200 community projects – such as upgrading village squares, footpaths, and cultural sites – partly to enhance the appeal of rural areas for tourism (Cyprus Business News, 2024). These investments benefit residents and visitors alike, indicating a positive feedback loop between agritourism and rural quality of life. There are also intangible economic benefits: by elevating the reputation of regional products (wine, cheese, honey) through on-site tasting and storytelling, agritourism helps build brand value that can open new markets. For instance, a visitor who experiences Cypriot halloumi-making on a farm may become an ambassador for that product back home, indirectly boosting exports.</p> <p>In summary, while agritourism is a small segment in aggregate terms, its economic impact per euro is high due to local retention of spending and stimulation of allied sectors. It brings millions of euros into remote areas, creates rural employment (including opportunities for women and youth in family businesses), and catalyzes infrastructure upgrades. By linking tourism with agriculture, it also multiplies the value of farm products and contributes to the resilience of the rural economy. These factors underscore agritourism’s role as a tool for balanced regional development in Cyprus, complementing the country’s overall tourism and agricultural economies</p>
Main challenges of the activity in the region	<p>Despite its successes, agritourism in Cyprus faces several challenges and constraints that must be addressed to ensure sustainable growth:</p> <ul style="list-style-type: none"> • Seasonality of Demand: Like the broader tourism sector, agritourism suffers from seasonal fluctuations. Visitor numbers drop significantly in the winter and during the mid-summer heat, concentrating business in spring and autumn. Until recently, rural accommodations struggled with low off-season occupancy, limiting income (cbn, 2024). This seasonality challenges profitability and the ability to retain staff year-round. Efforts are underway to mitigate this – for example, organizing special events and themed “Christmas Villages” in winter to draw visitors to mountain communities () – but achieving a true year-round flow remains difficult. • Marketing and Visibility: Many agritourism enterprises are small family-run businesses that historically had limited marketing reach. In the past, Cyprus’s image as a sun-and-sea destination overshadowed its rural offerings, and international tourists often were not aware of agritourism options. Small operators often lack sophisticated marketing skills or budgets, making it hard to promote themselves abroad and connect with tour operators. The Cyprus

Agrotourism Company and Deputy Ministry have stepped in to help by creating a centralized online portal and offering training workshops (e.g., teaching farmers digital marketing and online booking tools) (Academia.edu, 2022). Nonetheless, improving global visibility and competitive branding for Cyprus's agritourism is an ongoing challenge, especially as other Mediterranean countries also market similar "authentic rural" experiences.

- **Infrastructure and Accessibility:** While part of agritourism's charm is the remoteness of villages, inadequate infrastructure can hinder visitor satisfaction. Some rural areas struggle with poor road connectivity, limited public transport, or insufficient signage, making them hard to access for tourists without a car. Basic services like ATMs, medical facilities, or even consistent internet connectivity may be lacking in smaller villages. Additionally, maintaining the character of traditional buildings while adding modern amenities (heating, air-conditioning, plumbing, Wi-Fi) requires investment. The government has recognized these gaps: recent funding programs target improvements to village infrastructure (restoring squares, improving museums and trails) to enhance the tourist experience (Cyprus Business News, 2024). Still, infrastructure upgrades will need to continue, and care must be taken to do so in a way that does not spoil the rustic appeal.
- **Regulatory and Operational Hurdles:** Operating an agritourism business in Cyprus can involve navigating complex regulations. Guesthouses often must be in listed (heritage) buildings or comply with strict architectural preservation rules, which can increase renovation costs and bureaucracy. Securing licenses for accommodations, wineries, or farm facilities involves multiple authorities (tourism, town planning, health inspectors), which can be burdensome for small entrepreneurs. There is also the challenge of meeting quality standards: today's travelers expect a certain level of comfort and service, so owners must invest in training and upgrades – difficult without economies of scale. Obtaining financing for such upgrades is another hurdle, as banks until recently viewed small rural tourism ventures as higher-risk. The government's grant schemes (discussed below) attempt to alleviate some of the financial strain, but consistent support is needed so that regulatory compliance and modernization do not deter potential agritourism providers.
- **Post-Pandemic Recovery and Resilience:** The COVID-19 pandemic in 2020–2021 hit the tourism sector worldwide, and Cyprus's agritourism was no exception. Travel bans and lockdowns led to a sudden collapse in visitors, causing

	<p>income loss for rural accommodations and farms reliant on tourism. Many businesses survived thanks to domestic tourism (locals taking short rural holidays) and emergency subsidies, but the period highlighted the sector's vulnerability to global shocks. By 2022–2023, the situation improved markedly – with 2024 even seeing record rural visitor numbers above pre-pandemic levels (Cyprus Business News, 2024) – yet the experience underscored the need for resilience strategies. These include diversifying markets (attracting not just foreigners but also local and regional visitors), adopting flexible booking/cancellation policies, and emphasizing health safety measures. Additionally, climate change looms as a future challenge: extreme weather like summer heatwaves or forest fires (a known risk in Cyprus's dry season) could disrupt rural tourism and requires proactive adaptation (e.g., fire management plans, offering summer activities in cooler evening hours or at higher elevations).</p> <p>Addressing these challenges will require a concerted effort by stakeholders. Seasonality and marketing issues call for creative promotion and product development (such as niche events, better online outreach, and packaging agritourism with other attractions). Infrastructure and regulatory hurdles demand continued government facilitation – smoothing permit processes, providing grants for upgrades, and improving connectivity in rural areas. Finally, building resilience – whether to pandemics or climate effects – is essential for the long-term sustainability of agritourism in Cyprus. The following sections on policy support and training indicate some of the measures in place to tackle these issues.</p>
Policies and institutions	
<p>What are the main national and local policies that influence the activity?</p>	<p>The Government of Cyprus has explicitly prioritized agritourism and rural tourism within its tourism development strategies. The Deputy Ministry of Tourism (established in 2018 as the successor to the CTO) plays a key role in this domain. In its National Tourism Strategy 2030, the Deputy Ministry emphasizes diversifying Cyprus's tourist offerings and establishing the island as a year-round, higher-quality destination – goals to which agritourism is integral. Special-interest product labels and routes have been created, such as the "Heartland of Legends" rural experiential route, wine routes, and "Colourful Villages" initiatives, to promote inland areas. The Deputy Ministry also runs grant schemes and marketing campaigns: for instance, in 2024 it launched the Experiential Workshops Scheme to subsidize workshops in traditional crafts, agriculture, and gastronomy.</p>
<p>What are the bodies and institutions working in the</p>	<p>Cyprus Agrotourism Company: A unique institutional player is this non-profit under the Deputy Ministry's auspices dedicated exclusively to promoting holidays in the countryside. Founded in</p>

<p>field related to the activity in the region?</p>	<p>1996, it began with a handful of members and has since grown to over 150 members island-wide. The Company maintains a multilingual website for booking traditional lodgings, participates in tourism fairs, and helps ensure quality standards. It also supports local entrepreneurs through training and seminars, and collaborates with municipalities to incorporate festivals and food fairs into tourism offerings.</p> <p>Common Agricultural Policy (CAP) and Rural Development Programs: At the EU level, agritourism in Cyprus benefits from funding via the European Agricultural Fund for Rural Development (EAFRD). Through the Cyprus Rural Development Programme, measures like Measure 6.4 (diversification into non-agricultural activities) and Measure 19.2.2 (LEADER initiatives) explicitly support agrotourism development. Grants support converting buildings into guesthouses, launching craft or culinary workshops, and creating nature-based attractions.</p> <p>Recovery and Resilience Plan (RRP) and Green Deal Alignment: Agritourism is included in Cyprus's Recovery and Resilience Plan 2021–2026, funded by the EU's NextGenerationEU program. The plan promotes digital and green transitions, including energy-efficient renovations of rural accommodations and digital platforms for bookings. This aligns agritourism with the European Green Deal, which emphasizes sustainable travel and biodiversity protection.</p>
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>The Grants Scheme for SMEs Promoting Agritourism, run by the Department of Town Planning and Housing, offers co-financing up to 50% for heritage-building conversions into tourism businesses. Additional schemes from the Ministry of Agriculture support wine tourism infrastructure, while local governments offer tax incentives and administrative support for agrotourism entrepreneurs.</p>
<p>Education and training opportunities</p>	
<p>What training opportunity is available?</p>	<p>Developing human capital is essential for the advancement of agritourism, and Cyprus has been gradually building education and training avenues to support this niche.</p> <ul style="list-style-type: none"> • Academic Programs: Several Cypriot universities and colleges offer degree programs in hospitality, tourism management, or sustainable development that include components relevant to rural tourism. For example, the Cyprus University of Technology (CUT) and the University of Nicosia both have Hospitality and Tourism Management programs that incorporate courses on cultural heritage tourism, sustainable tourism, and tourism entrepreneurship. While these are not agritourism-specific degrees, they expose students to concepts of tourism in rural settings and often use agritourism as a case study. Notably, research at the university level on agritourism has been active – including studies on agritourism potential and development strategies in Cyprus. Examples include theses from Neapolis University and PhD research at Nottingham Trent University. Universities sometimes host public lectures or

	<p>workshops that share these findings with policymakers and entrepreneurs.</p> <ul style="list-style-type: none"> • Vocational Training and Capacity Building: Many agritourism operators are from agricultural backgrounds and lack formal tourism training. To address this, the Deputy Ministry of Tourism and the Cyprus Agrotourism Company organize tailored seminars covering hospitality basics, customer service, digital marketing, and foreign languages. A particular emphasis has been placed on digital literacy – teaching traditional lodge owners to use platforms like Booking.com, manage websites, or use social media. The Human Resource Development Authority (HRDA) also funds certified vocational programs in eco-tourism and rural guiding. • Community and EU-Funded Projects: Under LEADER, local communities organize mentorship and capacity-building schemes. Cyprus has participated in Erasmus+ and Interreg projects, exchanging best practices on agritourism with countries like Greece and Italy. For example, the Interreg-funded Agri-Ability project, although not Cyprus-based, serves as an inspirational model promoting accessible and inclusive agritourism experiences. • Extension Services and Specialist Training: The Ministry of Agriculture collaborates with agritourism stakeholders to advise on farm conversion, safety protocols, and organic presentation techniques. There are also workshops on culinary tourism, rural storytelling, and eco-guiding. For instance, initiatives supported by the Deputy Ministry train locals to make halloumi, glyka tou koutaliou, or traditional lacework in front of tourists – turning production into educational and experiential content. • Youth and Community Engagement: Rural high schools run tourism or entrepreneurship clubs to introduce students to agritourism careers. National start-up contests, such as those led by Cyprus Youth Board, often include categories on eco-tourism, encouraging innovation from young Cypriots.
<p>What is the role of the university and research in the development of this specific activity?</p>	<ul style="list-style-type: none"> - Academic Knowledge and Curriculum Development Universities such as the Cyprus University of Technology (CUT) and the University of Nicosia offer academic programs in hospitality, tourism management, and rural development, which expose students to sustainable tourism models, including agritourism. These programs help produce a new generation of professionals who understand the dynamics of rural tourism, sustainability, and community-based development. - Research and Policy Input Academic institutions actively conduct applied research on agritourism trends, challenges, and development strategies. For instance, research published by Neapolis University Pafos and PhD work from Nottingham Trent University has explored

	<p>marketing approaches, tourist motivations, and policy frameworks for agritourism in Cyprus. These studies are often referenced in government reports or used to shape strategic documents at the Deputy Ministry of Tourism and the Ministry of Agriculture. The University of Cyprus conducts in-depth studies on sustainable tourism practices and consumer behavior, providing valuable insights to optimize agritourism offerings. This research helps farmers and rural businesses align their services with emerging market trends, ensuring their competitiveness in the tourism sector. For example, studies on tourist preferences for farm-to-table experiences have informed agritourism operators on how to structure their culinary offerings to attract eco-conscious visitors.</p> <p>Reference: University of Cyprus, 2023. <i>Strategic Collaborations for Ecotourism and Agritourism Packages</i>. Available at: https://gnosis.library.ucy.ac.cy/handle/7/64286</p> <ul style="list-style-type: none"> - Innovation and Product Diversification Through EU-funded research projects (universities introduce innovative concepts such as eco-agritourism, agri-wellness, and farm-to-table tourism. These pilot models, often tested in collaboration with local communities, are later adopted more widely. Academic staff also facilitate knowledge exchange across borders, contributing to Cyprus's alignment with best practices in sustainable rural tourism. - Workshops and Community Engagement Universities occasionally organize training workshops, summer schools, and public lectures for community members, stakeholders, and policymakers. These sessions help bridge the gap between academic theory and rural entrepreneurship by translating research into practical guidance on topics such as storytelling, quality standards, and experience design. - Data Collection and Monitoring Universities support data gathering and impact assessment of agritourism initiatives. This includes evaluating the social, economic, and environmental outcomes of EU-funded rural tourism programs. Their analytical capacity contributes to better-targeted policy decisions.
SWOT analysis	
Strengths:	<p>Rich Cultural Heritage and Authenticity: Cyprus offers immersive agritourism experiences grounded in centuries-old traditions (wine-making, cheese-making, handicrafts), giving it a unique selling point. Visitors get a genuine taste of local culture and hospitality, which many cite as a highlight (;). The mosaic of history, folklore, and traditional architecture in villages provides considerable potential for agritourism as a high-quality alternative to mass tourism (Academia.edu, 2022).</p> <p>Natural and Rural Scenic Beauty: The island's diverse landscapes – from mountain forests to vineyards and olive groves – form an attractive backdrop for rural holidays. Picturesque villages and</p>

	<p>unspoiled nature enable activities like hiking, bird watching, and cycling that complement agritourism;. This environmental appeal draws eco-conscious travelers and those seeking tranquility.</p> <p>Strong Institutional Support: Agritourism is backed by government and EU policies that prioritize rural tourism. The Deputy Ministry’s strategies and the Cyprus Agrotourism Company’s promotional efforts provide marketing clout and funding access that individual businesses alone couldn’t achieve</p>
Weaknesses:	<p>Seasonality and Weather Dependence: Despite year-round potential, in practice tourist flows remain seasonally skewed, with slow business in the very hot summer months and parts of winter. Some agritourism activities (harvests, outdoor events) are seasonal by nature, and extreme summer heat can deter outdoor participation. The reliance on certain seasons limits revenue and can strain cash flow for operators during off-peak periods.</p> <p>Limited Marketing Reach and Visibility: Many agritourism providers are small-scale and lack robust marketing, resulting in low international awareness of Cyprus’s rural tourism offerings. The sector historically relied on the national tourism website or word-of-mouth, and only recently has online presence improved. Still, competition from well-established agritourism destinations (Italy’s Tuscany, etc.) means Cyprus’s offerings can be overlooked. The branding of Cyprus is still heavily “sun & sea,” and repositioning or adding a rural image remains an ongoing challenge.</p> <p>Capacity and Service Gaps: As family-run businesses, some agritourism accommodations have limitations in service quality or capacity. There may be language barriers, inconsistent service standards, or fewer amenities compared to urban hotels. Some facilities are very small (just a few rooms), which restricts group bookings or inclusion in large tour packages. Additionally, not all operators have formal hospitality training, which can lead to service that, while friendly, might not meet the full expectations of international travelers</p>
Opportunities:	<p>Global tourism trends show increasing interest in authentic, sustainable experiences – exactly the niche agritourism fills. A growing share of travelers seek cultural immersion and locally rooted experiences (FastForward Cyprus, 2021).</p> <p>Cyprus can position itself as an authentic agro-culinary destination in the Mediterranean. There is untapped potential to develop themed routes (e.g., olive oil trails), agro-wellness retreats, and wine tourism, along with hosting farm-to-table dinners, seasonal festivals, and craft workshops.</p> <p>Digital tools provide further opportunity: improved websites, social media storytelling, and influencer partnerships could significantly</p>

	<p>enhance visibility. Joining international agritourism networks would also build credibility.</p> <p>Additionally, new funding streams through the CAP and Cyprus’s “Tomorrow” Recovery Plan provide financial support to upgrade rural infrastructure, expand training, and launch innovative tourism experiences. (FastForward Cyprus, 2021).</p>
Threats:	<p>Intense Competition and Comparators: Other Mediterranean destinations (Italy, Greece, Spain, even Lebanon or Turkey) are also heavily promoting agritourism and have more established global reputations or larger scale. Competing against Tuscany’s villas or Crete’s rural tourism, for example, can be challenging. There’s a threat that Cyprus could struggle to attract international agritourists if those travelers perceive larger destinations as more attractive or accessible. Maintaining a distinctive niche and high quality is essential to stand out.</p> <p>External Shocks (Pandemics, Economic Crises): The agritourism sector is not immune to global events. The COVID-19 pandemic demonstrated how quickly tourist flows can dry up. Future pandemics or global economic recessions pose a serious threat as they can sharply reduce travel demand, particularly for small businesses that lack financial reserves. Political instability in the region or air travel disruptions could similarly affect international arrivals. Agritourism businesses, being small, often have less buffer to withstand prolonged downturns compared to big hotels.</p> <p>Climate Change and Environmental Degradation: Cyprus is vulnerable to climate change – hotter summers, increased drought, and more frequent wildfires are projected. These environmental changes threaten the very landscape agritourism depends on. A severe drought could diminish the charm of green vineyards or lead to water restrictions that affect guest comfort; wildfires in rural areas (like the ones that have occurred in the Troodos region) can destroy forest trails and even villages, deterring tourists and damaging infrastructure. Additionally, if not managed sustainably, increased tourist footfall could put pressure on fragile ecosystems (trampling flora on nature trails, disturbing wildlife). Without adaptation and careful planning, climate-related factors could undermine the appeal of rural tourism in the long run.</p>

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Fiber Crops Production in Cyprus	
CY01	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Historically, cotton was Cyprus's main fibre crop, but its importance has almost vanished. Today, cotton (and other industrial fibres) account for only a negligible share of agricultural output (on the order of 0.1%) agriculture.ec.europa.eu. In recognition of new opportunities, Cyprus legalized industrial hemp cultivation in 2016 (Law N.61(I)/2016), allowing hemp (<i>Cannabis sativa</i>) with THC $\leq 0.2\%$ to be grown and processed cy-ca.org. This aligns Cyprus with EU regulations on hemp; however, uptake has remained modest so far. Overall, fibre crop production in Cyprus is extremely limited, constrained by scarce water and the dominance of higher-value permanent crops (olives, citrus, etc.), while recent policy changes (e.g. the hemp law) may slowly expand the sector. Continued R&D and CAP subsidies could encourage small-scale fibre crop ventures, but they face strong climate and market challenges agriculture.ec.europa.eu cy-ca.org.</p>
<p>Economic aspect: the economic impact of the activity</p>	<p>The economic impact of fibre crops in Cyprus is currently negligible, reflecting their very limited cultivation. Cotton, once a significant crop during the British colonial period, has virtually disappeared due to poor profitability and high water demands. Today, cotton and hemp together represent less than 0.1% of agricultural output (European Commission – Agriculture in Cyprus).</p> <p>However, industrial hemp has been identified as a niche crop with potential economic value, especially in cosmetics, food, textiles, and construction (e.g., hempcrete). The legalization of industrial hemp in 2016 (Law N.61(I)/2016) allowed for new entrepreneurial ventures, but few businesses have entered the market due to bureaucratic hurdles, unclear guidelines, and lack of processing infrastructure (Cyprus Cannabis Association).</p> <p>Currently, there are fewer than 10 registered hemp producers in Cyprus, most in pilot or experimental stages. Nevertheless, hemp offers economic opportunities in rural diversification, potentially allowing smallholders to tap into higher-value markets for organic textiles, sustainable construction, and CBD products –</p>

	<p>if proper investment and market linkages are established. The sector remains underdeveloped but could grow with strategic support from the CAP Strategic Plan 2023–2027, which includes funding measures for crop diversification and green innovation (CAP Cyprus Plan).</p> <p>In summary, the economic contribution of fibre crops in Cyprus is marginal, but under the right policy framework, industrial hemp could offer rural economic opportunities in sustainable and circular economy sectors.</p>
Main challenges of the activity in the region	<p>Scarce Water Resources: Fibre crops like cotton and hemp require significant irrigation, but Cyprus faces chronic water scarcity, with limited rainfall and overexploited aquifers (European Environment Agency). This makes fibre crop cultivation expensive and unsustainable unless water-efficient methods or drought-tolerant varieties are introduced.</p> <p>Low Profitability vs. Permanent Crops: Competing crops such as olives, citrus fruits, and grapes offer higher returns and are deeply entrenched in the farming culture. This limits the willingness of farmers to experiment with less familiar crops like hemp, especially when there is no guaranteed market (Cyprus Ministry of Agriculture Annual Report, 2022).</p> <p>Lack of Processing Infrastructure: Industrial fibre crops require specialized post-harvest processing facilities (e.g., for decortication or fiber separation), which are absent in Cyprus. Without these, local producers must export raw biomass or abandon the activity altogether (European Industrial Hemp Association).</p> <p>Regulatory and Administrative Barriers: Despite the legalization of industrial hemp, licensing procedures remain cumbersome, and there is limited clarity on what is allowed, especially around THC testing, CBD extraction, and exports (Cyprus Cannabis Association). Farmers cite bureaucratic delays and lack of guidance as major deterrents.</p> <p>Limited Knowledge and Research Support: There is insufficient agronomic expertise or training available locally on how to grow and manage fibre crops under Mediterranean conditions. While some initial trials have been conducted, broader research and extension support is needed to inform and encourage uptake (Cyprus Agricultural Research Institute).</p> <p>Market Uncertainty and Consumer Awareness: The domestic market for hemp-derived products is small, and there is no strong branding or consumer awareness campaign to promote local fibre products. Producers face difficulties entering EU markets due to strict compliance standards and limited export capacity (EU Hemp Sector Analysis, 2022).</p>

Policies and institutions	
<p>What are the main national and local policies that influence the activity?</p>	<p>Law N.61(I)/2016 – Legalization of Industrial Hemp Cultivation This pivotal law allowed for the legal cultivation and processing of industrial hemp (<i>Cannabis sativa</i> L. with THC $\leq 0.2\%$) in Cyprus. It brought Cyprus in line with EU Regulation (EU) No 1307/2013, which permits support for hemp cultivation under the Common Agricultural Policy</p> <p>National CAP Strategic Plan (2023–2027) This plan, aligned with the European Green Deal, emphasizes crop diversification and sustainable land use, which can indirectly support fibre crops such as hemp and flax. Measures that promote climate-resilient farming or non-food uses of crops (e.g. textiles, construction)</p> <p>Business Facilitation Unit (BFU) from Ministry of Energy, Commerce & Industry This unit encourages value-added processing and commercialization of innovative agricultural products, including natural fibres. It supports sectors like textiles made from sustainable materials.</p>
<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<p>Cyprus Ministry of Agriculture, Rural Development and Environment (MoA) Responsible for overall agricultural policy and the management of CAP measures. Oversees crop approvals, subsidy disbursements, and environmental compliance. MoA website</p> <p>Cyprus Agricultural Payments Organization (CAPO) Administers CAP subsidies, including support for crop diversification and rural entrepreneurship. CAPO site</p> <p>Cyprus Cannabis Association (CY-CA) Advocates for and supports industrial hemp stakeholders, pushing for clearer licensing rules, education, and market access. CY-CA website</p> <p>Local Agricultural Cooperatives and Chambers of Commerce Engage in pilot projects and advocacy for new rural industries like sustainable fibres, particularly in Paphos and Larnaca districts.</p>
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>Measure 6.1 & 6.4 – CAP Rural Development Programme Measure 6.1 supports young farmers entering innovative sectors. Measure 6.4 provides funding for diversification into non-traditional crops, including industrial uses of agriculture. RDP Measures – EU site</p> <p>Recovery and Resilience Facility (RRF) – Green Economy Components Funds projects promoting sustainable rural entrepreneurship, including eco-friendly building materials (e.g., hempcrete), local bioeconomy solutions, and sustainable construction. Cyprus RRF</p> <p>Innovation and Start-up Support (Ministry of Energy, Commerce & Industry)</p>

	Grants and soft loans are available for start-ups in the sustainable material sector, which can include natural textile fibres, eco-construction, or bio-based packaging MECI Grants Portal
Education and training opportunities	
What training opportunity is available?	<p>Cyprus University of Technology (CUT) – Bachelor in Agricultural Sciences, Biotechnology and Food Science</p> <p>CUT offers a comprehensive undergraduate program focusing on sustainable agricultural practices, including plant production science and technology. The curriculum encompasses topics such as plant biology, biotechnology, and food production techniques, providing students with the knowledge to work as consultants in crop science and production. Graduates are equipped to address agricultural sector challenges in line with modern research achievements. https://www.educations.com+1cut-radio.org+1</p>
What is the role of the university and research in the development of this specific activity?	<p>Cyprus University of Technology (CUT). CUT plays a pivotal role in advancing agricultural education and research in Cyprus. Its programs are designed to produce graduates capable of addressing complex agricultural challenges through scientific training and research. The university emphasizes sustainability and the application of modern research achievements to solve problems in the agricultural sector. https://www.educations.com</p> <p>Agricultural Research Institute (ARI) The ARI, under the Ministry of Agriculture, Rural Development and Environment, is the sole government institute in Cyprus dedicated to public agricultural research. Established in 1962, ARI conducts innovative research in plant and animal production, aiming to create and transfer knowledge for the development of the primary sector. The institute addresses issues at the farmer level and disseminates research results through educational programs and communication tools. Researchers at ARI, such as Dr. Marios Kyriacou, have been involved in studies focusing on industrial hemp. Their work includes exploring the cultivation of hemp for fiber, seeds, and phytochemical extraction, contributing to the understanding and development of this multi-functional crop in Cyprus., ResearchGate</p>
SWOT analysis	
Strengths:	The island's favorable climatic conditions and its strategic alignment with EU agricultural directives. Cyprus enjoys long sunny seasons and a mild winter, making it theoretically suitable for growing drought-tolerant fiber crops such as industrial hemp. The government's legalization of hemp cultivation under Law

	<p>N.61(I)/2016 and its harmonization with EU regulations permitting THC levels up to 0.2% reflect a supportive regulatory environment.</p> <p>The existing agricultural research infrastructure—particularly through the Agricultural Research Institute (ARI)—and academic institutions such as the Cyprus University of Technology provide a solid scientific foundation for exploring crop diversification and innovation in fiber crop use.</p>
Weaknesses:	<p>Fiber crops, notably cotton, have historically declined in economic relevance and are now nearly absent from the national agricultural output, contributing only around 0.1% to total production. This is partly due to structural challenges such as water scarcity, limited arable land, and competition from more lucrative crops like olives and citrus.</p> <p>Farmers lack experience with fiber crops like hemp, and the transition requires not only technical training but also access to specialized equipment for harvesting and processing, which remains scarce. Moreover, market infrastructure for fiber processing (e.g., decortication, spinning) is underdeveloped, making local value addition difficult.</p>
Opportunities:	<p>Fiber crop production in Cyprus could serve niche markets focused on sustainable materials, eco-textiles, and bio-composites. With global demand for low-carbon, biodegradable materials growing, Cyprus is well-positioned to develop boutique hemp-based industries—especially if aligned with EU green transition goals and bioeconomy strategies. EU programs such as Horizon Europe and the Common Agricultural Policy offer funding opportunities that could subsidize pilot projects, technological investments, or cooperative ventures among farmers.</p> <p>Integrating hemp into agri-tourism or organic systems (e.g., through small-scale farm demonstrations) could boost public awareness and diversify rural economies.</p>
Threats:	<p>Climate stressors such as prolonged droughts, heatwaves, and soil salinity—conditions that limit productivity and increase input costs.</p> <p>Global market volatility and competition from countries with large-scale, mechanized fiber industries (e.g., China, India, or even EU peers like France) could undermine Cyprus’s competitiveness, especially without subsidies or local processing capabilities. There are also regulatory uncertainties around cannabis-related cultivation, which can cause hesitancy among potential growers. Finally, without cohesive coordination between policymakers, researchers, and the private sector, the risk of fragmented or short-lived initiatives remains high, potentially deterring long-term investment in the fiber crop sector.</p>

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Social Services in Cyprus	
CY01	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Cyprus maintains a range of services aimed at supporting its agricultural and rural communities. Universal healthcare coverage was established in 2019 under the General Healthcare System (GeSY), ensuring that all rural residents have access to medical care eurohealthobservatory.who.int. In practice, this includes national insurance coverage and, supplementally, itinerant health initiatives (e.g. the University of Nicosia’s mobile clinic, which undertakes about 15 village visits per year) unic.ac.cy. Education and training for farmers are provided through the Ministry of Agriculture’s extension service and the Agricultural Research Institute (ARI), which organize field visits, workshops and demonstrations to improve farm productivity. For example, the RDP targets included creating 2,800 training places for farmers cyprus.representation.ec.europa.eu. Higher education institutions (e.g. the Cyprus University of Technology and University of Cyprus) offer agricultural and biotechnology programs, and vocational schools (e.g. the Cyprus Agricultural School) maintain curricula for the rural youth.</p> <p>Financial support is administered mainly through the Cyprus Agricultural Payments Organisation (CAPO) under the EU’s Common Agricultural Policy. CAPO disburses direct payments and subsidies to virtually all eligible farmers, having processed roughly 28,000 applications (≈97% of claims) in recent years farmonaut.com. Investment grants (CAP Pillar II/Rural Development) supplement these, with large budgets for farm modernization, environmental stewardship, and basic rural services. For example, the 2014–2020 Rural Development Programme (RDP) allocated some €30.7 million to Measure 7 (“Basic services and village renewal in rural areas”) agriculture.ec.europa.eu. These funds have renovated community centers, health clinics, and broadband networks in villages, improving quality of life across 46% of the population agriculture.ec.europa.eu. In all, EU and national budgets (including CAP Pillar I and II) contribute hundreds of millions of euros annually to Cyprus’s rural sector (over €2 billion in total CAP subsidies since accession farmonaut.com).</p> <p>Such social services are vital for agricultural sustainability. By ensuring reliable healthcare and education in villages, Cyprus helps farming families remain on the land and remain productive agriculture.ec.europa.eu. For instance, with widespread health</p>

coverage and local clinics, elderly farmers can continue working without fearing medical emergencies, and children can attend schools without families migrating to cities. Likewise, extension training enables the adoption of modern, water-saving irrigation and conservation farming practices. Strong cooperatives and community centers (often EU-funded) foster information-sharing and shared infrastructure (e.g. joint processing facilities) that raise farmers' incomes. In short, Cyprus's rural social services—healthcare, education, financial safety nets, and infrastructure—act as a foundation upon which farm productivity and community resilience are built [eurohealthobservatory.who.int agriculture.ec.europa.eu](https://eurohealthobservatory.who.int/agriculture.ec.europa.eu).

Quantification

- Farmers and households reached: Cyprus has about 34,940 farms (average size ~3 ha) agriculture.ec.europa.eu. Approximately 28,000 farm holdings applied for CAP subsidies in 2023, with 97% (~27,000) receiving payments farmonaut.com. This broadly corresponds to the ~30,000 holdings typically covered by CAPO each year. In all, some 15,000–30,000 farming households benefit from at least one targeted program (subsidies, training, insurance, etc.).
- Financial flows: The 2014–2020 RDP was funded with €251.3 million (EU €132.2m + national €121.1m) cyprus.representation.ec.europa.eu. Key allocations included €99.8m for farm investments, €55.3m for agri-environmental measures, and €30.7m for rural basic services agriculture.ec.europa.eu agriculture.ec.europa.eu. By 2023–2027, the RDP envelope is roughly €450 million (including COVID recovery funds) farmonaut.com. Direct CAP payments add substantial sums (CAPO reports over €2 billion disbursed since 2004 farmonaut.com, averaging >€100m per year). National programs (e.g. disaster relief) also channel tens of millions to farmers.
- Training and innovation: In the 2014–20 RDP, targets included 350 young farmer start-up grants and 2,800 training places cyprus.representation.ec.europa.eu. Extension services conduct hundreds of on-farm visits, workshops and demonstrations annually. Four Local Action Groups (LEADER) cover village development, serving about 11.6% of the population agriculture.ec.europa.eu. These LAGs have financed dozens of community projects (e.g. upgrading daycare centers, agri-tourism facilities, or ICT labs). Overall, EU rural funds and national co-financing support hundreds of individual projects each year that benefit rural communities.

	<ul style="list-style-type: none"> Community infrastructure: By mid-2020s, Cyprus implemented dozens of village broadband upgrades and dozens of small infrastructure works (e.g. water reservoirs, rural roads, community centers) under RDP and structural funds. An estimated 46% of Cypriot residents (including almost the entire rural population) gained improved local services or connectivity agriculture.ec.europa.eu. Likewise, about 100 new rural jobs were created through diversification projects funded by the RDP agriculture.ec.europa.eu.
<p>Economic aspect: the economic impact of the activity</p>	<p>Social services underpin the economic viability of Cyprus's agriculture. Farming is characterized by many small holdings and relatively low incomes: agriculture accounts for only ~3% of Cyprus's GDP and ~5.5% of employment agriculture.ec.europa.eu. In 2013, Cypriot farmers' average income was just 64.8% of that in other sectors agriculture.ec.europa.eu, reflecting high production costs (imported feed, water) and fragmented holdings. CAP subsidies and other supports help close this gap: CAP direct payments and coupled aids typically account for a majority of farm net income in Cyprus. For example, CAPO's €2 billion aid injection since EU entry has "moderniz[ed] agricultural practices, and enhance[d] competitiveness" of Cyprus's primary sector farmonaut.com.</p> <p>Education and training also yield economic returns. Skills improvement helps farmers adopt higher-value crops (e.g. organic or irrigation-efficient varieties) and diversify (e.g. agri-processing, tourism services). Research by ARI and innovation projects (EIP-AGRI) introduce cost-saving technologies (drip irrigation, precision agriculture), boosting yields and resilience. Community infrastructure (roads, water networks, broadband) lowers input costs and connects farmers to markets. Collectively, these services increase farm labor productivity: modernization grants (RDP Measure 4) have enabled hundreds of farms to upgrade machinery or greenhouses, raising output per hectare.</p> <p>On the broader rural economy, social services also support off-farm incomes. For instance, better healthcare and eldercare allow more household members to work (on or off farm) rather than caregiving. Community centers and training in entrepreneurship encourage new rural enterprises (e.g. crafts, food processing), diversifying income beyond farming. The presence of reliable public services (schools, clinics) helps retain population in villages, sustaining consumer demand for local businesses. In summary, Cyprus's social service investments – from subsidies to education to local infrastructure – directly bolster farm incomes and rural employment by making agriculture financially viable and enabling value-added activities.</p>

<p>Main challenges of the activity in the region</p>	<p>Geographical dispersion: Cyprus's rural population lives in many small villages, often in mountainous or remote areas. Delivering services (healthcare, schooling, broadband) across this terrain is logistically hard and costly. Many village clinics and schools suffer from staff shortages, as professionals are drawn to urban posts. Extending infrastructure (e.g. high-speed Internet) to isolated hamlets remains a work in progress.</p> <p>Aging and depopulation: Rural areas have disproportionately older populations. Only 2.6% of farm managers were under 35 (2013) agriculture.ec.europa.eu, and national census data show 17.2% of Cypriots are over 65 knews.kathimerini.com.cy (with rural areas aging even faster). Younger Cypriots often migrate to cities or abroad for education and jobs. This demographic shift increases demand for healthcare and pensions (straining budgets) while eroding the agricultural workforce and community leadership.</p> <p>Limited resources: Budget constraints limit the scale of services. Even with EU co-financing, rural development funds are small relative to needs. For example, only ~11.6% of the population is covered by community-led local development (LEADER), and not every village has benefitted from the RDP's measure on basic services agriculture.ec.europa.eu. Public funding is finite, so trade-offs arise (e.g. between environmental and social measures). Economic shocks (e.g. COVID-19, cost-of-living crises) also tighten national budgets, risking cuts to rural programs.</p> <p>Awareness and uptake: Some farmers lack information on available services. Complex application procedures for CAP grants or training programs can deter participation, especially for older farmers. Language or literacy barriers among some rural residents (including immigrants) can further limit access. Bridging this "information gap" is essential to ensure social services reach all who need them.</p> <p>Environmental stress: Cyprus's agriculture faces climatic challenges (hot, dry summers; low rainfall) and environmental degradation (water scarcity, soil erosion) agriculture.ec.europa.eu. These pressures threaten crop yields and livestock health. For example, recent years have seen severe droughts and forest fires that destroy farmland and infrastructure. Social services (e.g. crop insurance, fire prevention education) must continually adapt to these risks.</p>
Policies and institutions	
<p>What are the main national and local policies that influence the activity?</p>	<p>(a) Key policies: The Common Agricultural Policy (CAP) is the main framework: Pillar I (direct income support) and Pillar II (RDP) provide most of the social-service related funding. Cyprus's</p>

	<p>national RDP 2014–2020 (approved 2015) prioritized rural quality of life and competitiveness moa.gov.cy cyprus.representation.ec.europa.eu. The new CAP Strategic Plan 2023–2027 was approved in late 2022 agriculture.ec.europa.eu and continues similar aims (attracting youth, preserving communities, sustainable growth agriculture.ec.europa.eu). At the national level, Cyprus also implements sector-specific schemes (e.g. young farmer start-up aid, disaster relief funds) and policies on rural broadband, social welfare, and local development. The 2021 establishment of a Deputy Ministry for Social Welfare highlights a strategic focus on vulnerable rural populations.</p>
<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<p>Institutions and stakeholders: The Ministry of Agriculture, Rural Development and Environment (MARDE) oversees most rural programs. Its Department of Agriculture houses the Agricultural Research Institute and the Extension Service, and serves as the Managing Authority for the RDP. The Cyprus Agricultural Payments Organisation (CAPO) executes CAP payments and manages agri-subsidy programs moa.gov.cy. The Deputy Ministry of Social Welfare and the Ministry of Health coordinate broader social supports (pensions, healthcare). Local governments (municipalities/communities) operate schools and clinics under central guidelines. LEADER Local Action Groups (LAGs) – four in Cyprus – implement community-led rural projects. The National Rural Network (EESC/PAC Cyprus) and European Innovation Partnership (EIP-AGRI) facilitate knowledge exchange among farmers, researchers and policymakers. Non-governmental organizations also play roles: for example, farmers’ cooperatives and the Cyprus Agrotourism Company (under the Tourism Ministry) assist in marketing, training and funding.</p>
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>Incentives and programs: Major instruments include the CAP’s RDP measures (e.g. M01 knowledge transfer, M04 farm investments, M07 basic services, M10 agri-environment, M16 cooperation, M19 LEADER) and national rural grants. CAP Pillar I direct payments (basic payment scheme, greening, coupled aid) underpin farmer incomes. Additional schemes target specific needs: young farmer premiums (RDP M06), organic farming subsidies, and rural development grants (via EU structural funds). Programs like LEADER (under RDP) provide grants for village development projects; for 2014–20, 11.6% of Cypriots benefited from such local initiatives agriculture.ec.europa.eu. Cross-sectoral EU funds (e.g. European Social Fund) also support rural training and entrepreneurship. In sum, Cyprus employs a web of CAP and national incentives – from EU-funded RDP projects to domestic safety-net allowances – to promote agricultural sustainability and rural well-being.</p>
<p>Education and training opportunities</p>	

<p>What training opportunity is available?</p>	<p>Cyprus offers numerous learning avenues for farmers and rural residents. The Agricultural Research Institute and Ministry extension service conduct on-farm training (demonstration farms, technical workshops on irrigation, pest management, etc.), often co-funded by the RDP. In 2014–20, the RDP explicitly sought to deliver 2,800 training places in areas like innovation and environmental practices cyprus.representation.ec.europa.eu. Additionally, the Agrotourism Company (government-sponsored NGO) runs workshops for agritourism entrepreneurs (e.g. hospitality, digital marketing), often in collaboration with the Tourism Ministry. Formal degree programs exist at universities: for example, the Cyprus University of Technology offers BSc and MSc degrees in Agricultural Sciences and Biotechnology, while the University of Cyprus hosts departments in biological and environmental sciences. These institutions carry out research (e.g. on drought-resistant crops) and may train graduate students from farming backgrounds.</p> <p>Moreover, vocational training is available: Cyprus has agricultural high schools and vocational centers that train rural youth in modern farming and technology. Lifelong learning schemes (sometimes under EU social funds) teach new skills to farmers' spouses or older farmers (e.g. basic computing, bookkeeping). Finally, the National Rural Network and EIP-AGRI facilitate peer-to-peer learning via study visits, online forums, and best-practice guides. These educational efforts help Cypriot farmers adopt modern methods and diversify income. For instance, extension visits and field courses have been credited with improving yields in olive and potato production, while university research underpins new high-value crops introduced to Cyprus.</p>
<p>What is the role of the university and research in the development of this specific activity?</p>	<p>Universities and research institutions in Cyprus play a key role in linking agricultural development with social services, supporting rural resilience through research, education, and community-based initiatives.</p> <p>Research and Development</p> <p>The University of Cyprus engages in research on sustainable agricultural systems and their socio-economic impact on rural communities. It focuses on topics such as labor dynamics, rural youth outmigration, and adaptation to climate challenges. This research directly informs rural development policies and social service programs designed to support farming populations. One example is its collaboration with the Ministry of Agriculture to enhance agricultural sustainability through targeted studies and innovation. University of Cyprus and Ministry Collaboration</p> <p>Educational Programs The Cyprus University of Technology (CUT), through its Department of Agricultural Sciences, Biotechnology and Food Science, offers undergraduate and postgraduate programs that integrate agronomic training with rural development and social well-being. These programs address not only crop and food production but also the socio-environmental context of agriculture, equipping graduates to manage the intersection of farming, rural health, and education.</p>

	<p>Community Engagement Universities also support on-the-ground action through workshops, field schools, and projects that engage rural residents in co-developing solutions. CUT, for example, collaborates with local cooperatives and municipalities on EU-funded programs that enhance rural services, promote women's entrepreneurship, and improve the quality of life in farming communities. CUT Research and Community Engagement</p> <p>Through this combination of scientific research, academic training, and community partnerships, Cypriot universities actively contribute to the delivery and evolution of social services tailored to the agricultural sector.</p>
SWOT analysis	
Strengths:	<p>Cyprus benefits from strong institutional support and funding. High levels of CAP aid (over €2 billion so far farmonaut.com) and RDP grants underpin rural investment. The country has a universal healthcare system and widespread education (27.6% of adults hold tertiary degrees knews.kathimerini.com.cy), providing a skilled and healthy workforce.</p> <p>Cyprus also has long traditions of farmer cooperatives and community networks, which facilitate group marketing and knowledge-sharing.</p> <p>The Mild climate and niche products (olives, grapes, horticulture) give Cyprus a comparative advantage that social programs can capitalize on (e.g. promoting organic or PDO products).</p>
Weaknesses:	<p>Farms are small and fragmented (avg. ~3 ha agriculture.ec.europa.eu), limiting economies of scale. The agricultural workforce is aging (only 2.6% of farm managers are under 35 agriculture.ec.europa.eu), which can slow adoption of innovation.</p> <p>Rural areas suffer from geographic isolation and thin economies; some villages face school or clinic closures due to low populations. Public funding for rural services is modest, and dependency on EU transfers is high.</p> <p>Furthermore, historical low productivity means farmers' incomes are weak: in 2013 farmers earned only ~65% of urban workers' income agriculture.ec.europa.eu.</p>
Opportunities:	<p>The new CAP and recovery funds offer fresh investment: for 2023–27 Cyprus's RDP has earmarked roughly €450 million for rural development farmonaut.com. There is scope to leverage technology and digitalization (as Farmonaut's example shows farmonaut.com) to reach remote areas and improve farm management. A</p>

	<p>agri-tourism and short supply-chain initiatives (farmers' markets, direct sales) are growing trends that social services can support through training and grants.</p> <p>The EU's Green Deal and Farm-to-Fork initiatives also provide incentives for sustainable practices, which Cyprus can tap into. Finally, Cyprus's ongoing focus on rural revival (e.g. integrating new residents, developing alternative energy on farms) could attract new talent and investment to the countryside.</p>
Threats:	<p>Climate change and environmental stress are major risks. Cyprus frequently faces drought and wildfires, jeopardizing crops and infrastructure agriculture.ec.europa.eu. Water scarcity may worsen, straining agriculture and rural living.</p> <p>Demographic decline is another threat: as the population ages (17.2% over 65 knews.kathimerini.com.cy) and youth move away, village populations shrink, undermining community life and labor supply.</p> <p>Additionally, reliance on external funding means policy changes or budget cuts (e.g. a lower EU budget or national austerity) could sharply reduce rural services. Global market shifts and competition also threaten traditional sectors (e.g. citrus, potatoes), meaning social supports must adapt or risk becoming obsolete.</p>

References:

- European Commission rural development and CAP documents cyprus.representation.ec.europa.eu/agriculture.ec.europa.eu,
- Cyprus government reports, and OECD/Eurostat data agriculture.ec.europa.eu eurohealthobservatory.who.int knews.kathimerini.com.cy farmonaut.com. These sources provide official figures on funding, population, and agricultural structure which underpin the analysis above.
- Official Cyprus and EU documents and research (CAP Strategic Plan, RDP reports, Ministry publications, EU Commission strategies) have been used to detail the above points moa.gov.cy agriculture.ec.europa.eu food.ec.europa.eu. These sources provide the basis for all statistical and policy statements.

Efficiency improvements in Cyprus	
CY01	Cyprus
Technical information (state of art of the activity)	

Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)

Cyprus has prioritized sustainable intensification of agriculture through advanced water and soil management and technology. Modern irrigation (primarily drip/micro-irrigation) is nearly ubiquitous, covering about 90% of irrigated land mdpi.com. Projects and policies encourage switching old systems to even higher-efficiency irrigation (e.g. 9.17% of irrigated land upgraded under the 2014–2020 RDP, targeting ~10% water savings agriculture.ec.europa.eu). Water reuse is under study and implementation: pilot trials using treated municipal wastewater in place of freshwater yielded roughly 30% higher crop yields on forage crops moa.gov.cy. Soil fertility is maintained by practices consistent with EU conservation agriculture: diversified crop rotations, cover cropping and retaining residues help build organic matter ec.europa.eu. In fact, Eurostat reports that *conservation tillage* (minimum tillage) is practiced on a majority of Cyprus's arable land ec.europa.eu. Composting and organic manures are promoted (e.g. via RDP agri-environment measures) to recycle nutrients.

Technological innovations are growing. Precision agriculture (PA) using sensors, drones, IoT and automation is being tested and increasingly adopted. The Cyprus Agricultural Research Institute (ARI) is running H2020 trials like IoT4Potato (data-driven potato farming) to help small farmers apply smart sensors and satellite data moa.gov.cymdpi.com. PA optimizes inputs: it can improve yield and quality while cutting fertilizer and pesticide use. For example, EU reports suggest PA can cut pesticide use by ~20–30% via targeted application mdpi.com. Locally, practices like irrigation scheduling and fertigation (applying fertilizer in irrigation water) further boost efficiency mdpi.com. In sum, Cyprus is aligning with EU *sustainable intensification* goals (Farm to Fork, Biodiversity Strategy) by combining drip irrigation, precision nutrient management, and smart farming to raise output per unit of water, fertilizer, and labour agriculture.ec.europa.eumdpi.com.

Official data confirm large-scale uptake of efficiency technologies. An EU study notes modern drip or micro-irrigation already “*practically cover 90% of the irrigated area in Cyprus*” mdpi.com. Under its 2014–2020 Rural Development Programme (RDP), Cyprus planned to retrofit another ~2,594 ha (9.17% of irrigated land) to high-efficiency irrigation agriculture.ec.europa.eu. Water meters and scheduling are increasingly used to reduce on-farm water use. Wastewater reuse is expanding from pilots (70 ha demonstration) toward broader use.

Yield impacts are notable: the ARI-led trial mentioned above found ~30% higher yields (e.g. forage yield) with reclaimed water irrigation moa.gov.cy. Nationally, agricultural production rebounded strongly after 2014: value of output grew 12% in 2015–2017 cyprusprofile.com. Halloumi cheese exports (a key sector) have surged to over 30 million kg (€200 M, export) in recent years

	<p>cyprusprofile.com. While precise figures for efficiency gains (water or labor per tonne) are scarce, wider context suggests significant resource savings. EU analyses show that mechanisation and tech adoption have cut labour needs: Eurostat reports a long-term decline in total farm labour input (2008–2023) across the EU due to mechanisation ec.europa.eu. This implies Cypriot farms also use less labour per output. Similarly, fertigation and precise nutrient management are expected to reduce fertilizer use per hectare (though no Cyprus-specific stat is available, EU sources note 20–30% input savings with precision methods mdpi.com).</p> <p>Official data also highlight sector structure: Cyprus has ~135,600 ha of agricultural land and ~34,940 farms averaging only 3 ha agriculture.ec.europa.eu. This reflects a highly fragmented farm structure, which itself influences efficiency (see SWOT). The majority of farms grow irrigated crops (citrus, potatoes, grapes) with yields in line with Mediterranean norms. Mechanization is widespread in these commercial crops, though exact adoption rates of PA tools are still low (currently limited to pilot projects and niche agribusinesses). Agricultural labour productivity is rising modestly – Eurostat noted Cyprus’s labour productivity index +1.8% in 2019 in-cyprus.philenews.com – reflecting slow improvements from technology.</p>
<p>Economic aspect: the economic impact of the activity</p>	<p>Efficiency improvements translate into cost and income impacts. Reducing water use and fertilizer needs cuts input costs. For instance, modern drip irrigation can lower pumping/energy costs (by avoiding flood irrigation) and cuts water bills (Cyprus water is expensive due to scarcity). Precise nutrient application and fertigation reduce fertilizer costs. The IoT4Potato pilot aimed to lower farmers’ production cost per tonne while maintaining quality mdpi.com. Overall productivity gains raise farm revenues; for example, higher yields with the same land/water directly boost output. In export sectors (e.g. halloumi, wines), improved efficiency underpins competitiveness: the CAP Strategic Plan notes supporting halloumi production (PDO) and diversifying into value-added crops to expand exports agriculture.ec.europa.eu.</p> <p>Economically, agriculture’s share of Cyprus GDP is small but growing. It was about 2.1% in 2017 cyprusprofile.com (compared to 1.8% in 2014). Current contributions hover around 1.8–3% of GVA agriculture.ec.europa.eu. The sector contributes ~4–5% of total employment (higher in rural areas) agriculture.ec.europa.eu. The Government’s new agri-strategy (2024–28) explicitly aims to raise agriculture’s GDP share via higher domestic production and exports. Public investment (CAP subsidies, RDP funds) is intended to yield returns: for example, €99.8 M was allocated to farm modernization (RDP Measure 4) with expected payback through higher productivity agriculture.ec.europa.eu. Rural development projects also stimulate local economies: RDP</p>

	<p>measures for diversification and basic services are projected to create ~100 new rural jobs agriculture.ec.europa.eu, and CAP-driven local initiatives another ~20 jobs agriculture.ec.europa.eu. The EU-funded CAP budget for Cyprus is substantial (€~373 M for 2023–27 agriculture.ec.europa.eu), boosting investment.</p> <p>Broadly, cost savings (from water/fertilizer/labour), yield gains, and upgraded exports improve farm incomes. The halloumi sector exemplifies this: exports reached ~€200 M and are projected to exceed €300 M (2023) cyprusprofile.com. Such high-value products bolster rural incomes. At the same time, farm profitability remains sensitive to input costs and weather; this motivates the efficiency focus. Macro-economically, agriculture’s multiplier effect in rural areas helps sustain small villages and food processing. Full quantification of returns on investment (ROI) in Cyprus-specific trials is limited, but EU modelling suggests that typical PA investments break even in a few years through input savings and yield gains.</p>
Main challenges of the activity in the region	<p>Key barriers limit efficiency adoption. High initial costs are repeatedly cited: modern drip systems, sensors, drones and automation require large capital outlay. Many farmers (especially smallholders) cannot afford these without subsidies mdpi.com. Technical barriers also exist: some farmers “<i>lack digital skills or do not trust</i>” new technologies mdpi.com. Others cite lack of maintenance know-how and standardization of devices mdpi.com. Cyprus’s farm structure exacerbates this: the vast majority of farms are small (average 3 ha) and family-run agriculture.ec.europa.eu. Fragmentation makes economies of scale difficult and tech investments less attractive on small plots. Farmers often have limited organizational/financial capacity to continually invest in innovation mdpi.com.</p> <p>Other challenges include water and land constraints. Cyprus is very water-scarce, so irrigation must be highly efficient. However, this also means any drought cuts yields, so farmers are risk-averse about new irrigation infrastructure. Soil degradation and erosion on sloping lands pose limits (apparent from EU focus on soil preservation agriculture.ec.europa.eu). Knowledge gaps are significant: younger farmers are in short supply, and many older farmers have limited formal education mdpi.com. Extension services and training exist, but reaching every farmer in remote areas is hard. Import dependence is another weak point: Cyprus relies on imports for fertilizers, machinery and animal feed (as noted by authorities) mdpi.com, leaving farms exposed to global price swings. In summary, financing, capacity, and contextual factors (small scale, arid climate, aging workforce) are key barriers to full adoption of efficiency measures mdpi.com mdpi.com.</p>

Policies and institutions	
What are the main national and local policies that influence the activity?	<p>Cyprus's strategies align with EU Green Deal and CAP policies. The CAP Strategic Plan (2023–27) is the main framework, approved in late 2022 agriculture.ec.europa.eu. It dedicates about €373 M (EU funds) to Cypriot agriculture agriculture.ec.europa.eu, explicitly prioritizing sustainability: the Plan emphasises <i>water management, soil preservation and sustainable practices</i> (mirroring the Farm to Fork and Biodiversity strategies) agriculture.ec.europa.eu. Key national policies also include the National Rural Development Programme (continuation of 2023–27 RDP) and environment laws (e.g. water reuse regulations under EU Regulation 2020/741). The government's new <i>National Sustainable Agriculture Strategy</i> (2024–2028) similarly targets water savings, tech adoption and rural competitiveness (though not publicly available yet, it was unveiled in May 2023). Cyprus implements the EU Green Deal via Pillar II (greening payments, eco-schemes) and rural support. For example, CAP eco-schemes now reward practices like cover cropping or precision nutrient management, per Farm to Fork goals. Implementation is handled by national agencies.</p>
What are the bodies and institutions working in the field related to the activity in the region?	<p>The Ministry of Agriculture, Rural Development and Environment (MoA) is the policy authority. Within MoA, the Cyprus Agricultural Payments Organisation (CAPO) manages CAP funds and RDP payments moa.gov.cy. The CAPO has delegated units but centrally it reviews and approves farm investment grants. The Water Development Department (WDD) (also under MoA) is responsible for water infrastructure: it plans and operates dams, irrigation networks and wastewater treatment (e.g. building conveyance networks for reclaimed water) moa.gov.cy. The WDD thus directly implements water-saving projects, often co-funded by EU cohesion funds. The Agricultural Research Institute (ARI) (MoA) is the main technical R&D body. Its sections (e.g. "Natural Resources and Environment") conduct research on soil, irrigation and precision farming moa.gov.cy, and work closely with Extension services. ARI also collaborates with the Department of Agriculture (extension) to disseminate knowledge and train farmers moa.gov.cymoa.gov.cy. Other supporting institutions include the Department of Forests (handles certain agroforestry and land-use tasks), and industry associations. On the EU side, Cyprus works with CAP's EU structures and networks (e.g. EIP-AGRI).</p>
Are there specific incentives or programs to promote the	<p>Several grants and incentives target efficiency. Under RDP 2014–2022, Measure 4 (Investments) had the largest budget (€99.8 M)</p>

<p>activity? (list any national, regional funding)</p>	<p>for physical assets (irrigation systems, greenhouses, machinery) agriculture.ec.europa.eu. Agro-Environmental-Climate Measures (M10, €55.3 M) and Organic Farming support (M11, €18.8 M) encouraged soil and input-saving practices agriculture.ec.europa.eu. The new RDP and CAP SP continue similar measures. CAP Pillar I includes eco-scheme payments rewarding precision practices and cover crops. National incentives include grants for on-farm renewable energy: farmers can install solar PV with a net-metering scheme to offset electric use, supported by national energy policy (promoting solar rooftops in agriculture). Cyprus also participates in EIP-AGRI (“European Innovation Partnership”). The RDP introduced an EIP measure to fund pilot projects and Operational Groups that develop and test innovation agriculture.ec.europa.eu. For example, ARI and partners run EIP-like projects (smart irrigation systems, digitization pilots). Subsidies for solar-powered desalination or drip pumps (co-funded by EU/National funds) also exist. Overall, CAP strategic investments, national schemes and EU pilots provide farmers with funding channels for efficiency technologies agriculture.ec.europa.eu.</p>
<p>Education and training opportunities</p>	
<p>What training opportunity is available?</p>	<p>Training is integral to uptake. The Department of Agriculture (Extension Service) regularly organizes courses and field demonstrations on efficient farming. For instance, workshops on drip irrigation design, fertigation scheduling, and water audits are offered regionally each year. The Extension Service also runs energy-saving and solar-technology workshops, often in collaboration with the Electricity Authority. The ARI actively contributes: it holds seminars and field days on topics like waste-water reuse and precision farming (e.g. sensors for monitoring irrigation) moa.gov.cy. ARI researchers co-develop training materials (on economics, marketing and production techniques) used in RDP-funded farmer courses moa.gov.cy. These courses, under Measure 1 (Training) of the RDP, provide technical know-how to hundreds of farmers annually. Private training is emerging too, with agri-businesses offering short courses in smart farming.</p>
<p>What is the role of the university and research in the development of this specific activity?</p>	<p>The University of Cyprus (UCy) engages in agri-innovation research (e.g. its KIOS Center works on water efficiency and renewable energy systems for farms). UCy offers postgraduate programmes in environmental science and sustainable development that include agricultural applications. The Cyprus University of Technology (CUT) has faculties in engineering and applied sciences; it conducts research on agricultural drones, bioinformatics and decision-support systems for irrigation scheduling. For example, CUT researchers have developed a decision-support model for precision farming using weather and</p>

	<p>soil data. The Cyprus Institute (Cyl), a national research center, promotes projects like SMARTFARM (improving sheep/goat farming), integrating technology and climate adaptation (with government backing). ARI and universities often collaborate: the IoT4Potato project involved ARI and Greek partners, demonstrating IoT solutions to local farmers moa.gov.cy mdpi.com. Overall, universities and ARI are active in innovation, technology transfer and training – hosting workshops, supervising theses, and participating in EU R&D projects. They help bridge the knowledge gap by educating agronomists and technicians who then work with farmers or startups in agriculture</p>
SWOT analysis	
Strengths:	<p>Cyprus enjoys strong water-saving practices (about 90% of irrigated land on micro-irrigation mdpi.com), extensive research support (ARI, universities) and EU alignment.</p> <p>CAP/EU funding is substantial, with ~€373 M earmarked for agri-development agriculture.ec.europa.eu. Specialized high-value sectors (e.g. PDO halloumi) provide export revenue.</p> <p>The existing infrastructure (dams, treatment plants) and Government commitments (e.g. €109 M plan) give a solid base. Research shows the industry is focusing on <i>quality and sustainability</i> agriculture.ec.europa.eu mdpi.com.</p>
Weaknesses:	<p>Farms are mostly small (~3 ha) and fragmented agriculture.ec.europa.eu, hindering economies of scale. Many farmers are aging with limited digital literacy; training and generational renewal are challenges mdpi.com.</p> <p>High input costs (water, energy, agrochemicals) strain margins mdpi.com. The sector is vulnerable to drought and soil erosion. Despite good irrigation coverage, water scarcity remains a perennial limitation. Moderate digital connectivity in remote areas can slow tech adoption.</p>
Opportunities:	<p>EU Green Deal and CAP “Green Architecture” offer incentives for efficiency (e.g. eco-schemes rewarding precision farming). Ongoing R&D projects (IoT, drones, satellite monitoring) can be piloted at scale.</p> <p>Agro-environment programs and LEADER Local Development Groups encourage innovation in rural areas. Expanding organic and niche crops (superfoods, medicinal plants) leverages the high-tech orientation for <i>premium markets</i>. Renewable energy (solar PV) on farms can reduce costs under net-metering incentives.</p> <p>Climate change adaptation funds (e.g. LIFE, Horizon Europe) present new collaboration and finance. The new CAP plan and national strategy signal high-level commitment</p>

Threats:	<p>Climate change (higher temperatures, less rainfall) threatens water supply and yields mdpi.com.</p> <p>Continued reliance on imported inputs leaves farming exposed to global market shocks. If EU budgets shrink or CAP rules tighten, some subsidies may be cut. The pace of tech change could outstrip farmers' ability to adapt (social acceptance risk mdpi.com).</p> <p>Market volatility (price swings in commodities, Halloumi price disputes) can hurt incomes. Lastly, competitiveness pressure from cheaper producers means efficiency gains are essential or Cyprus agriculture could lose markets</p>
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Renewable Energy	
CY01	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Cyprus's agriculture increasingly integrates renewable technologies to enhance sustainability. The dominant technology is solar power: photovoltaic (PV) panels are installed on farms for electricity (often via net-metering) and solar thermal collectors provide water heating it.andersen.com/cyprus-mail.com. Small-scale wind turbines are rare in farming, as the island's wind generation (≈ 155 MW total) comes from a few utility wind parks pvmagazine.com. Biogas digestion of livestock manure and plant residues is emerging: there are 11 on-farm biogas installations (total ~ 9.8 MW) converting waste to heat/electricity energy.gov.cy. (No commercial biomethane plants operate yet energy.gov.cy.) Other renewables (e.g. micro-hydro) are negligible given Cyprus's climate and topography. Notably, the government now encourages agrivoltaics (dual-use solar) and has simplified licensing for solar water pumps in-cyprus.philenews.com, reflecting interest in combining crop production with PV generation. In sum, Cypriot farms deploy mainly solar PV and solar water heating, some animal-waste biogas, and limited other systems it.andersen.com energy.gov.cy.</p> <ul style="list-style-type: none"> • Solar PV capacity: Cyprus installed ~ 797 MW of PV by end-2024 pv-magazine.com, of which a growing share is distributed on roofs or farm sites. (Annual new PV in 2024 was 159 MW pv-magazine.com.) • Wind capacity: ~ 155 MW total wind power (mainly utility-scale, not on individual farms) pv-magazine.com. • Biomass/Biogas: 11 biogas plants (9.77 MW total) exist, using livestock waste energy.gov.cy. No biomethane plants yet. The modest biogas generation accounted for $\sim 1\%$ of national power in 2018 energy.gov.cy. • Farm uptake: Precise figures on farm adoption are scarce. For 2014–2022, only $\sim 0.64\%$ of farms were supported to modernize (including energy projects) under the RDP agriculture.ec.europa.eu. However, many farmers use solar irrigation pumps and PV (as net-metering users) to cut diesel/electricity use. • Efficiency savings: The 2014–22 Rural Development Plan targeted 9.17% of irrigated land to switch to efficient irrigation systems ($\geq 10\%$ water savings)

	<p>agriculture.ec.europa.eu, indirectly reducing pumping energy.</p> <ul style="list-style-type: none"> Renewable share: Renewables provided ~13% of Cyprus's energy by 2020 (mainly solar and wind) trade.gov, with agriculture's share unreported separately. The national target is 23% by 2030 it.andersen.com.
<p>Economic aspect: the economic impact of the activity</p>	<p>Renewables can significantly lower farm energy costs and create new revenues.</p> <p>Cost savings: Generating power on-site displaces expensive imported diesel/electricity (Cypriot electricity prices are among the EU's highest). Typical solar PV farm build costs are €900–1 000 per kW cyprus-mail.com, yielding generation costs ~5–7¢/kWh cyprus-mail.com versus retail rates ~15–25¢/kWh cyprus-mail.com. Thus, a small PV system can pay back in under a decade, especially with grants. Subsidies: CAP and national grants heavily finance renewables: the latest CAP plan funds 40–100% of project costs climate-adapt.eea.europa.eu. For example, a new 2024 “Big Investment Plan” earmarks €6 million for on-farm renewable/energy-saving measuresknews.kathimerini.com.cy. Likewise, the Renewable Energy Sources Fund provides state grants for green investments it.andersen.com. Such support dramatically improves ROI. Revenue: Excess electricity can be sold: private PV farms get ~11¢/kWh feed-in tariff cyprus-mail.com (higher prices apply in net-billing contracts). Employment: Renewable projects also boost rural jobs and services. The RDP anticipates creation of ~100 new rural jobs from diversification projects (including green energy) agriculture.ec.europa.eu. Training and engineering jobs arise as farms contract installers and technicians. In sum, renewables offer farms lower bills and potential income streams, with grant funding and job growth offsetting their substantial upfront costs climateadapt.eea.europa.eu cyprus-mail.com.</p>
<p>Main challenges of the activity in the region</p>	<p>Key barriers hinder farm-level renewables. High upfront costs: Even with subsidies, installing PV or biogas is capital-intensive (~€0.9–1.0 m per MW cyprus-mail.com) which small farms struggle to finance without loans. Skill shortages: Agriculture in Cyprus suffers a dearth of trained personnel; only ~5.7% of farm managers have formal agricultural training agriculture.ec.europa.eu. This gap means many farmers lack the know-how to design and maintain renewable systems. Grid constraints: The electrical network is not fully flexible. In 2024 Cyprus had to curtail ~29% of renewable generation to maintain stability pvmagazine.com. High PV penetration can thus paradoxically waste clean energy (especially off-peak), reducing</p>

	<p>financial returns. Land-use conflicts: Solar parks compete with limited arable land. Recent policy now prohibits new utility-scale solar on prime farmland unless co-located with crops in-cyprus.philenews.com, reflecting farming priority. While encouraging agrivoltaics, this restriction highlights the tension between energy and food production. Import dependence: Cyprus relies heavily on fuel imports agriculture.ec.europa.eu, so fossil price shocks still affect farmers (e.g. diesel for tractors), making transition urgency high but budgets tight. Regulatory hurdles: Complex permitting and uncertainty (e.g. evolving grid-connection rules) can delay projects. Together, these factors slow the uptake of on-farm renewables despite clear long-term benefits agriculture.ec.europa.eu/pv-magazine.com.</p>
Policies and institutions	
<p>What are the main national and local policies that influence the activity?</p>	<p>Renewables in agriculture are shaped by EU and national policies and agencies. At the EU level, the Common Agricultural Policy (CAP) and the Rural Development Regulation (EAFRD) set funding and standards. Cyprus's Ministry of Agriculture, Rural Development and Environment (MADRE) oversees CAP implementation, with the Cyprus Agricultural Payments Organisation (CAPO) administering funds climate-adapt.eea.europa.eu/cyprusagriculture.com. The 2014–22 and 2023–27 CAP Strategic Plans prioritize resource efficiency (including RES) in farming agriculture.ec.europa.eu/knews.kathimerini.com.cy</p>
<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<p>The Ministry of Energy, Commerce and Industry crafts the national energy strategy (e.g. the 2023 National Energy and Climate Plan) and the Renewable Energy Fund, while the Cyprus Energy Regulatory Authority (CERA) regulates the electricity sector and promotes renewables cera.org.cy/it.andersen.com. CERA defines technical rules for grid connection and feed-in tariffs. The Rural Development Section of the Agricultural Research Institute (ARI) supports knowledge transfer on technology usage. Other actors include the Department of Environment (for rural environmental standards) and local government in rural areas. In summary, CAPO and MADRE channel EU rural funds for farm renewables, CERA and the Energy Ministry handle grid and incentives, and research/extension institutions provide technical support climate-adapt.eea.europa.eu/cera.org.cy</p>
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>A range of funding mechanisms encourages farm renewables. CAP/Rural Development: The 2014–22 RDP allocated ~€60 m (public/private) to renewables (mainly solar, plus biogas) agriculture.ec.europa.eu, and the new CAP 2023–27 plan continues support (e.g. €6 m for on-farm energy projects knews.kathimerini.com.cy). Grants under CAP measures (investment aid, eco-schemes) can co-finance PV installations, biomass boilers, or efficient irrigation systems. National Funds and</p>

	<p>Schemes: The Renewable Energy and Energy Conservation Fund offers subsidies for renewables (state grants covering large cost shares) it.andersen.com. Tax incentives for energy-saving investments are being introduced it.andersen.com. In 2024 the government launched subsidies for energy storage systems co-located with renewables pv-magazine.com to address curtailment. Net Metering/Billing: Cyprus allows farms to offset their electricity use with on-site PV, crediting surplus at favorable rates; a large fraction of the 2024 PV roll-out was via net-metering pvmagazine.com. Other Programs: Various EU programs also apply: LIFE or Horizon projects (e.g. ADAPT2CHANGE, IoF2020) fund agri-innovation in energy. The Recovery & Resilience Plan and cohesion programs include some energy/irrigation components. Additionally, schemes like “PV for Homes” (for households) indirectly benefit farm families. Regulatory incentives: Simplified permitting for solar pumps and a focus on agri-PV incyprus.philenews.com remove barriers. In short, CAP grants, national subsidies, and EU funds together finance and incentivize the transition to renewables on Cypriot farms agriculture.ec.europa.eu/it.andersen.com.</p>
<h3>Education and training opportunities</h3>	
<p>What training opportunity is available?</p>	<p>Several institutions in Cyprus are actively involved in delivering training on renewable energy and sustainable practices to the agricultural workforce, helping farmers reduce energy costs and adopt environmentally responsible solutions.</p> <p>The Human Resource Development Authority (HRDA) has long supported Cyprus’s green transition by running certified vocational training programs in renewable energy fields. These include short and long-term courses on photovoltaic (PV) panel installation, solar thermal systems, energy auditing, and sustainable building practices. Notably, in 2011 alone, HRDA supported 72 such training courses focused on solar energy technologies and related trades, which included farmers and rural technicians as key beneficiaries. These initiatives aim to increase the capacity of rural workers to install, maintain, and benefit from renewable energy systems, especially in energy-intensive agricultural operations like irrigation and cold storage. hrdauth.org.cy</p> <p>In recent years, these training efforts have been supplemented by EU co-funded programs through the European Social Fund and the Recovery and Resilience Plan (RRP), which support upskilling in energy transition fields. Farmers are now eligible for subsidies to attend green skills programs or integrate renewable energy into their operations under the national CAP Strategic Plan 2023–2027.</p> <p>Collectively, these initiatives contribute to making the Cypriot agricultural sector more energy-resilient and aligned with sustainable development goals.</p>

<p>What is the role of the university and research in the development of this specific activity?</p>	<p>At the tertiary level, universities and vocational centers teach renewable energy: for example, the University of Cyprus's FOSS Research Centre offers HRDA-subsidized courses in PV system design, installation and storage pvtechnology.ucy.ac.cy. Technical colleges (e.g. Cyprus University of Technology) and private institutes also run electrician/engineer programs including renewable energy modules. Chambers of Commerce and industry associations occasionally host workshops on farm energy projects. Overall, training is expanding through both public-sector programs and academic institutes, aiming to close the skills gap noted by policy makers agriculture.ec.europa.eu pvtechnology.ucy.ac.cy.</p>
<p>SWOT analysis</p>	
<p>Strengths:</p>	<p>Cyprus has abundant solar radiation and a climate well suited for PV and solar thermal. Diverse technologies are available (PV, wind, biomass) and many have proven successful in the energy mix it.andersen.com.</p> <p>Substantial EU/CAP funding ensures strong financial support (e.g. up to 100% grants climate-adapt.eea.europa.eu), and government commitment (via CAP plans and policies) backs agricultural renewables.</p> <p>Early success in solar (over €2 b invested) has built local expertise.</p>
<p>Weaknesses:</p>	<p>The sector is highly fragmented (many small farms), making large systems impractical. Skilled labor is scarce: only ~5.7% of farm managers are formally trained agriculture.ec.europa.eu.</p> <p>High initial costs (≈€1,000/kW cyprus-mail.com) and remaining regulatory complexity deter smaller producers. The electrical grid's limited flexibility causes renewable curtailment (≈29% in 2024 pvmagazine.com), reducing economic returns on new installations.</p> <p>Water scarcity and land constraints (≈70% of water used by irrigation agriculture.ec.europa.eu) can further limit some renewable deployments.</p>
<p>Opportunities:</p>	<p>Ambitious EU and national renewable targets (23% by 2030) create funding and market incentives it.andersen.com.</p> <p>Emerging technologies (agri-PV, battery storage) offer higher yields and resilience. New CAP "green deals" reward energy-saving and renewables on farms.</p>

	<p>Research and pilot projects (e.g. precision irrigation, waste-to-energy) are growing. Boosting rural renewables could revitalize remote areas and align with tourism-agriculture synergies (e.g. on-agri-resort solar). EU carbon pricing also incentivizes moving away from diesel.</p>
<p>Threats:</p>	<p>Competing land use (urban development, tourist resorts) and recent restrictions on solar land use in-cyprus.philenews.com threaten expansion.</p> <p>Continued reliance on fossil fuels (imports cover 90% of energy agriculture.ec.europa.eu) exposes farms to volatile oil prices. Climate change (more drought, heat) may reduce overall productivity, potentially limiting investment capacity.</p> <p>Policy changes (e.g. cuts to subsidies) could also undercut economics. Finally, without grid upgrades and energy storage, Cyprus risks stalling its renewable growth (as heavy curtailment and grid instability persist pv-magazine.com).</p>

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Risk management Strategies	
CY01	Cyprus
Technical information (state of art of the activity)	
<p>Quantification: quantitative data of the activity (es. how many agritourism in the region, how much organic production etc etc)</p>	<p>Cyprus's agriculture is exposed to multiple risks: climatic shifts (rising summer temperatures, more frequent droughts) and water scarcity due to its semi-arid climate cyprus-mail.com; market volatility from fluctuating commodity prices and intense competition; pests and diseases (e.g. Mediterranean fruit fly, fungal diseases) impacting key crops; and financial vulnerability arising from many small, fragmented farms with high input costs mdpi.comagriculture.ec.europa.eu. For example, Mediterranean climate models project higher heat and less rainfall, making droughts "the new normal" cyprus-mail.com. To mitigate these threats, Cyprus has pursued a range of technical strategies:</p> <ul style="list-style-type: none"> • Climate-smart agriculture (CSA): Use of data-driven technologies (soil moisture sensors, satellite monitoring, IoT networks) to optimize inputs and early-warning systems mdpi.comnature.com. CSA includes precision irrigation scheduling, drought-tolerant varieties (e.g. ancient barleys, heat-resistant vegetables), and crop diversification to balance seasonal losses. • Improved irrigation: Nearly all Cyprus's irrigated land is under modern systems (e.g. drip, sprinkler) that achieve ~90–95% conveyance efficiency nature.com. Ongoing upgrades (automation, efficient scheduling) further reduce waste. For instance, remote sensing tools for evapotranspiration (ET) help farmers apply water only as needed nature.com. • Integrated Pest Management (IPM): The Agricultural Research Institute (ARI) develops IPM programs for fruits and vegetables, combining biological controls, resistant rootstocks, and minimal pesticide use moa.gov.cy. This ecosystem-based approach lowers disease losses and chemical risk. • Farmer cooperatives and producer organizations: These collective bodies pool resources to stabilize prices, aggregate demand, and share market information. Cooperatives "reduce market risks for farmers" by ensuring contracts and bargaining power agriculture.ec.europa.eu. In practice, Cypriot wine and dairy co-ops market produce internationally, mitigating price swings.

	<ul style="list-style-type: none"> • Insurance and mutual funds: A national Fund for Protection and Insurance of Agricultural Production (established 2019) allows all participating farmers to insure crops, livestock and even infrastructure moa.gov.cy. Farmers pay a contribution (partly subsidized by the government/EU) and receive compensation for losses from calamities. This formal insurance complements ad-hoc state aid. <p>Each technical measure directly addresses a risk: CSA and irrigation combat climate/water risk, IPM tackles pest/disease risk, cooperatives and insurance hedge market and financial risks, etc.</p> <p>Key data illustrate the context and uptake of risk strategies in Cyprus. About 20% of agricultural land is irrigated nature.com, reflecting the focus on high-value irrigated crops (citrus, vegetables). Agriculture consumes roughly 70% of Cyprus's water withdrawal cyprus-mail.com, highlighting the sector's dependence on scarce water resources. The Ministry of Agriculture reports ~34,940 farm holdings (2020), averaging only 3.0 ha each agriculture.ec.europa.eu. This fragmentation underlines the small scale of most farms and the difficulty of large investments.</p> <p>Modern irrigation is widespread: studies note that over 95% of irrigation under public schemes uses efficient methods (drip/sprinkler) nature.com. However, insurance adoption remains modest: although all eligible farmers can join the national fund moa.gov.cy, only a minority have historically insured their crops. CAP support helps: the new 2023–27 Strategic Plan allocates about €155 million to farmer income support, including risk tools agriculture.ec.europa.eu. In practice, farmers use a mix of measures: e.g. many plant drought-resistant varieties of barley and potato, and they can apply for compensation after extreme events. For example, after severe frost/hail in early 2025, the government opened a claims window for potato producers to receive emergency aid fresh-market.info. These quantifiable indicators – irrigated area, water use, farm size, support payments – help gauge both the vulnerability and the reach of mitigation measures in Cypriot agriculture.</p>
Economic aspect: the economic impact of the activity	Implementing risk management strategies strengthens the Cypriot agricultural economy by preventing losses, stabilizing incomes, and attracting investment . For instance, modern irrigation and CSA increase yields per drop, turning previously marginal water resources into profitable output. CAP-funded irrigation investments (and encouragement of organic farming) directly boost productivity; roughly €7.4 million of the CAP plan's €373 million budget targets climate/water actions agriculture.ec.europa.eu . Insurance and state aid reduce farmers' income variability: timely payouts for drought, frost or hail events (as recently made for

	<p>Cypriot potato growers) prevent devastating revenue shocks. Reduced production losses, as Minister Panayiotou notes, otherwise translate into “economic losses for farmers, higher food prices ... and broader disruptions” cyprus-mail.com.</p> <p>Cooperatives and producer organizations also yield economic benefits. By sharing storage, transport and marketing facilities, cooperatives lower costs and improve bargaining power against volatile markets. In practice, well-capitalized co-ops in dairy and wine have stabilized returns for many Cypriot farmers agriculture.ec.europa.eu. These collective structures help even small growers to invest in quality improvement and branding (e.g. Geographical Indications like Halloumi PDO). Overall, the synergy of these measures – from subsidized irrigation to insurance – ensures a more predictable environment for farmers, encouraging them to upgrade equipment and plant high-value crops (knowing they have a safety net). This investment stimulus is key for rural development: the CAP plan expects CAP payments and rural funds to generate new jobs (over 900 in agri-business projects agriculture.ec.europa.eu), underpinning longer-term sector stability.</p>
Main challenges of the activity in the region	<p>Despite these tools, major barriers hinder full implementation of risk management in Cyprus. Cost and capital constraints are foremost: modern systems (advanced irrigation, weather-index insurance) require high upfront investment, which many smallholders struggle to afford agriculture.ec.europa.eu. Even when subsidies exist, farmer co-financing can be prohibitive. Closely related are knowledge and skills gaps: Cyprus’s agricultural workforce is aging and has generally low formal education mdpi.com, limiting awareness of best practices. Extension services and training have improved, but a technical divide remains.</p> <p>Infrastructure is another bottleneck. Many rural areas lack efficient storage, cold chains or IoT connectivity for smart agriculture. Water infrastructure itself needs upgrading: Cyprus has historically built dams and pipelines, but droughts have revealed deficits in storage and reuse systems (hence the push for desalination and reclaimed water).</p> <p>Insurance penetration remains low, due to cultural factors and complexity of products. Farmers often rely instead on reactive state aid. Although the national Fund (N103/2019) covers many risks, uptake is imperfect. Climate intensification exacerbates all these issues: as noted, “rising temperatures...more frequent and severe droughts” are expected cyprusmail.com, stretching the capacity of existing measures. Finally, the structural weakness of having many tiny holdings (average ~3 ha</p>

	<p>agriculture.ec.europa.eu) means low economies of scale. Such fragmentation makes collective action more complicated and dilutes the impact of each measure. Together, these challenges – economic, educational, infrastructural and climatic – slow the path to full resilience in Cypriot agriculture.</p>
Policies and institutions	
<p>What are the main national and local policies that influence the activity?</p>	<p>Risk management in Cypriot agriculture is guided by a mix of EU and national frameworks. The EU’s Common Agricultural Policy is implemented through Cyprus’s Strategic Plan (2023–27), which explicitly prioritizes resilience and sustainability agriculture.ec.europa.eu. For example, it earmarks large funds for irrigation projects and climate-friendly practices to address “water management and soil preservation” challenges agriculture.ec.europa.eu. Nationally, Cyprus is revising its Climate Adaptation Strategy and water policy to reflect current vulnerabilities. Although specifics are evolving, recent ministerial statements emphasize equity in water allocation and use of non-conventional sources (recycled water, desalination) cyprus-mail.com.</p>
<p>What are the bodies and institutions working in the field related to the activity in the region?</p>	<p>Key institutions coordinate these efforts. The Ministry of Agriculture, Rural Development & Environment (MoA) leads policy and provides oversight. Within MoA, the Agricultural Payments Organisation (CAPO) administers EU subsidy schemes, while the Risk Management Section develops risk plans in line with EU rules moa.gov.cy. MoA also operates the national Fund for Protection and Insurance, which was set up by national law to finance crop and livestock insurance (covering outdoor crops and sheep/goat sectors) moa.gov.cy. The Agricultural Research Institute (ARI) conducts applied research and runs pilot projects, linking science to farmers moa.gov.cy. Meteorological and hydrological data come from the government’s Department of Meteorology and related agencies, providing forecasts and drought advisories to support early warning.</p> <p>Local actors play a role too: farmers’ associations and co-operatives (often organized at the community or sector level) help disseminate information, organize group insurance or input purchases, and liaise with policymakers. For example, the Pancyprian Federation of Agricultural Cooperatives advises on policy and coordinates export initiatives. In sum, a collaborative institutional network – from EU bodies to local chambers – underpins the strategic framework for agricultural risk management in Cyprus agriculture.ec.europa.eu/moa.gov.cy.</p>

	<p>Agriculture ministers at the MED9 summit in Cyprus (Sep 2024) highlighted that rising temperatures and recurrent droughts are “the new normal,” underlining the urgent need for inclusive water and risk management policies cyprus-mail.com.</p>
<p>Are there specific incentives or programs to promote the activity? (list any national, regional funding)</p>	<p>A variety of incentive schemes support Cypriot farmers in managing risks. Under CAP, Rural Development Program (RDP) measures fund infrastructure and training: for instance, grants are available for upgrading irrigation systems, building on-farm reservoirs, or converting to organic farming (Cyprus plans to double its organic area) agriculture.ec.europa.eu. The CAP Strategic Plan also includes eco-schemes and innovation subsidies to encourage sustainable practices (e.g. precision agriculture, soil protection). On the insurance front, EU/Cyprus subsidize premiums: farmers receive public aid to cover much of the cost of insurance or mutual funds, making participation more affordable. The national Risk Management Fund itself co-finances premium contributions for eligible farmers moa.gov.cy.</p> <p>Cyprus also implements emergency aid programs. A National State Aid Framework (2014–2020) categorized weather calamities (frost, hail, floods, drought, etc.) and provided compensation when losses occur moa.gov.cy. More recently, ad-hoc schemes have delivered lump-sum payments; for example, in 2025 potato growers received government compensation after severe frost and hail destroyed crops fresh-market.info. Additionally, innovation pilots and EIP-AGRI projects (co-funded by EU rural networks) promote new adaptation techniques (e.g. drought-tolerant cultivar trials, agroforestry experiments).</p> <p>Specific incentive programs include:</p> <ul style="list-style-type: none"> • Insurance Aid: State subsidies cover a significant share of insurance costs for crops and livestock. The Fund (established by Law N103/2019) pays out after disasters, reducing farmers’ net losses moa.gov.cy. • CAP Direct Payments: Basic income support and coupled payments (e.g. for sheep/goats, halloumi production) act as de facto risk buffers by ensuring a safety-net income each year agriculture.ec.europa.eu. • RDP Grants: Funds for modernization (tractors, greenhouses, digital equipment), water efficiency and climate action (soil conservation, renewable energy on farms) are disbursed via competitive and application-based grants agriculture.ec.europa.eu. • Emergency Support: In extreme cases, EU solidarity funds and state emergency programs top up losses (as with the 2025 frost relief) fresh-market.info.

	<ul style="list-style-type: none"> • Insurance Schemes: Cypriot farmers can also join EU-funded index-based insurance (e.g. drought indices) where available. The government continues to explore expanding weather-index tools under future CAP risk-management tools. <p>Together, these programs create financial incentives for farmers to invest in resilience and to share risk through formal mechanisms, rather than relying solely on reactive aid.</p>
Education and training opportunities	
<p>What training opportunity is available?</p>	<p>Building farmers' knowledge is central to long-term risk management. The Agricultural Research Institute (ARI) is a hub for extension and training: it conducts field trials (e.g. on reclaimed water use, pest management) and organizes workshops to transfer findings to growers moa.gov.cy. ARI's mandate explicitly includes "transferring knowledge...through modern educational programs" aimed at solving farmers' problems moa.gov.cy. Other public bodies (e.g. the Ministry's Rural Development section) run demonstration days on smart farming or climate adaptation.</p> <p>The Cyprus Chamber of Commerce and Industry (CCCI) and its local Chambers also offer regular training. Though primarily business-oriented, their programs cover environmental regulations, EU quality standards and sustainable practices ccci.org.cy, which benefit agri-business operators (e.g. training on EU pesticide rules, export procedures). For example, CCCI seminars have included modules on ISO standards and eco-labeling that can help farmers market premium products.</p>
<p>What is the role of the university and research in the development of this specific activity?</p>	<p>Higher education institutions contribute as well. The Cyprus University of Technology (CUT) in Limassol has an Agri-Environmental Sciences department that offers courses and research projects in Mediterranean agriculture, while the University of Cyprus and Cyprus University of Technology run postgraduate programs in environmental management and water resources. These universities collaborate with ARI and EU-funded projects, involving students in climate-fieldwork and hosting seminars on topics like climate change adaptation.</p> <p>In addition, EU rural network initiatives (e.g. European Innovation Partnerships) convene farmers, researchers and advisors in "clusters" or workshops. For instance, the TERRASAFE project held local workshops (Feb 2025) on desertification and risk prevention, engaging Cypriot farmers in sharing experiences. NGOs and private consultants (often funded by EU grants) also conduct training on Integrated Pest Management and precision irrigation. Altogether, a network of ARI, universities, chambers and extension agencies provides structured opportunities for education</p>

	and capacity-building in risk management, from hands-on trials to classroom seminars moa.gov.cy/cci.org.cy
SWOT analysis	
Strengths:	<p>Cyprus benefits from strong EU backing and targeted CAP funds, which inject significant resources into agricultural resilience (e.g. €155M for income support plus large RDP budgets) agriculture.ec.europa.eu.</p> <p>The sector has a tradition of efficient irrigation and high-value exports (halloumi, several fruits), giving it good baseline productivity.</p> <p>Effective co-operatives and producer groups (e.g. in dairy and wine) help stabilize markets and reduce risk for members agriculture.ec.europa.eu. The presence of ARI and a skilled research community (as seen in recent climate-risk assessments) is another asset.</p>
Weaknesses:	<p>Farms are very small (avg 3 ha agriculture.ec.europa.eu) and fragmented mdpi.com, limiting economies of scale. Many farmers are older and have low education levels mdpi.com, impeding adoption of new technologies.</p> <p>Water scarcity is endemic (seasonal reservoirs and aquifers limit supply) and infrastructure (storage, drainage) is sometimes outdated.</p> <p>Uptake of formal insurance and advanced practices remains low, partly due to these structural constraints. In short, the sector's modest size and limited technical capacity are internal vulnerabilities.</p>
Opportunities:	<p>Emerging threats have prompted innovation opportunities. The recent shift to organic agriculture (targeting a doubling of organic area agriculture.ec.europa.eu) opens new market niches and income streams.</p> <p>EU and national R&D programs for climate adaptation can spur development of Cyprus-specific solutions (drought-resistant crops, solar-powered desalination for farms). Growing environmental awareness could also attract agritourism or specialty agribusiness (leveraging local brands). Regional cooperation (MED9 forum) may bring shared research and funding. In addition, the push for digital agriculture (IoT networks, drones) offers efficiency gains if costs can be overcome.</p>

Threats:	<p>The intensifying Mediterranean climate poses severe external threats: models project up to 50% summer rainfall declines under high-emission scenarios researchgate.net, risking chronic water shortage. Repeated droughts, heatwaves and extreme events (fires, floods) could overwhelm existing measures.</p> <p>Global market fluctuations and trade pressures (e.g. import competition, shifting demand) remain persistent threats, especially for small Cypriot producers.</p> <p>Depopulation of rural areas and competition for resources (tourism vs. agriculture) also threaten resilience. Finally, changing EU policies (e.g. stricter pesticide rules, water directives) could impose costs on Cypriot farmers.</p> <p>In summary, while internal strengths and support schemes exist, Cypriot agriculture faces significant external pressures that require adaptive, well-funded responses cyprus-mail.com agriculture.ec.europa.eu.</p>
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