

Opening remarks by the Minister of Energy, Commerce and Industry Ms Natasa Pilides at the signing ceremony for the Memorandum of Understanding between the Ministries of Energy of Cyprus, Israel and Greece on cooperation in relation to the EuroAsia Interconnector Project

Monday, March 8th 2021

On this very special occasion of the signing of the Memorandum of Understanding (MoU) between the Ministry of Energy, Commerce and Industry of the Republic of Cyprus, the Ministry of Energy of the State of Israel and the Ministry of Environment and Energy of the Hellenic Republic, on cooperation regarding the EuroAsia Interconnector Project, I welcome to Cyprus the Israeli team led by my friend, the Minister of Energy, Dr Yuval Steinitz. I also extend my very best regards to the Greek Minister of Energy, my friend Kostas Skrekas, and his associates, who although could not be here today, join us virtually from Athens.

This event marks another important milestone in the joint efforts of our three countries to promote regional cooperation in the field of energy. Indicating the strong bonds between our people and building on the work done by our governments over the past few years, especially during the trilateral summits of our Heads of State, the MoU that we sign today enhances further the cooperation between Cyprus, Israel and Greece in supporting the planning, potential development and implementation of the EuroAsia Interconnector, as an additional element of the emerging Eastern Mediterranean Energy Corridor.

The Project is a cornerstone of our efforts to transition to a green economy and to fully align economic growth with environmental protection. Once constructed, it will facilitate the integration of additional Renewable Energy

Sources (RES) in our energy supply mixes and, thus, enhance our ability to meet our respective commitments under the Paris Agreement on Climate Change.

For Cyprus in particular, the EuroAsia Interconnector will constitute a decisive step towards ending the island's energy isolation and, consequently, our dependence on heavy fuels. This isolation has been a major hindrance to our economy's overall competitiveness and we are now working hard to promote, in parallel, several different solutions. Apart from regional electricity interconnections, these also include a fully liberalised electricity market by early 2022, plans for installation of energy storage systems and construction of the "CyprusGas2EU" project. The latter is on course to be completed by the end of 2022 and includes an LNG import terminal at Vasilikos area that will be ready to receive first gas, initially to be used for power generation.

The EuroAsia Interconnector Project, of course, as a 2.000 MW electricity highway running through Israel, Cyprus and Greece, the first phase of which is expected to be operational within 2025, will not only connect our island with the energy grids of Asia and Europe, but will also contribute to the completion of the European Internal Market. As such, it is acknowledged by the European Commission as a key Project of Common Interest and eligible for financing from the "Connecting Europe Facility".

The three countries signing today's MoU, have come to the common understanding that we need to cooperate in facilitating the timely granting of permits and approvals needed for carrying out feasibility studies, as well as the discussions and coordination between our national electricity regulatory authorities and Transmission System Operators.

Moreover, we must ensure adherence to appropriate environmental standards during all stages of the Project's implementation, endeavour to harmonise our respective technical standards and examine the ways and means of ensuring the safety, security, sustainability, resilience and reliability of the electricity interconnector cable.

Cyprus, Israel and Greece have so much to gain from the implementation of the EuroAsia Interconnector Project. Fortifying our electricity grids and allowing the further integration of RES, enhancing our security of energy supply and becoming exporters of energy, are but a few of the tangible benefits, which we hope to harness in the most efficient way possible through today's MoU.

In closing therefore, I would like to thank the people who have worked hard to make this day possible: my two colleagues the Energy Ministers of Israel and Greece and, most of all, the members of the Israeli, Greek and Cypriot technical teams who have negotiated the Memorandum in good faith and with remarkable dedication.

Thank you.