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ANNEX

ANNEX

to the

Proposal for a COUNCIL IMPLEMENTING DECISION

amending the Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Cyprus

{SWD(2025) 377 final}

ANNEX

SECTION 1: REFORMS AND INVESTMENTS UNDER THE RECOVERY AND RESILIENCE PLAN

A. COMPONENT 1.1: RESILIENT AND EFFECTIVE HEALTH SYSTEM, ENHANCED CIVIL PROTECTION

This component of the Cypriot Recovery and Resilience plan addresses the challenge of universal access to high-quality healthcare in Cyprus as well as civil protection's overall emergency preparedness and response. The objective of this component is to strengthen the effectiveness, accessibility and overall resilience of the healthcare sector supporting the recently introduced National Health System through various interventions. These include the (i) modernisation and digitalisation of health care infrastructure and equipment, (ii) stepping-up of e-health services, (iii) accreditation of provided health care services and introduction of evidence-based clinical protocols and quality monitoring systems, as well as (iv) upskilling opportunities for health workers. It further aims at enhancing Cyprus' civil protection system by establishing a modern Public Warning System.

The component addresses the country-specific recommendations on health (country-specific recommendation 1 of 2020 and country-specific recommendation 3 of 2019).

A.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C1.1R1): National Centre for Clinical Evidence and Quality Improvement

The objective of this reform is to enhance the quality and sustainability of the healthcare system.

This measure consists in an IT system for monitoring clinical protocols in medical care.

Reform 2 (C1.1R2): Electronic platform for the surveillance of Nosocomial Antibiotic Consumption and Healthcare-Associated Infections

The objective of this reform is to support the digital transition and resilience of the healthcare sector.

This measure consists in an electronic platform to record data from hospital pharmacies, microbiology laboratories, and hospitals.

Investment 1 (C1.1I1): Cyprus Blood Establishment

The objective of this investment is to expand central Blood Establishment facilities in Cyprus.

This measure consists in the construction of facilities and purchase of equipment for Cyprus Blood Establishment.

Investment 2 (C1.1I2): Cyprus public health information system

The objective of this investment is to support public health sector bodies in making evidence-based decisions on epidemiological matters.

The measure consists in an influenza surveillance platform of the Cyprus Innovative Public Health Information and Communications Technology (ICT) System.

Investment 3 (C1.1I3): Support for the purchase of medical equipment in private hospitals

The objective of this investment is to modernise the medical equipment of private hospitals.

This measure consists in a financial support scheme for private hospitals to purchase medical equipment.

Investment 4 (C1.1I4): Accreditation of health institutions

The objective of this investment is to support the accreditation of health institutions, enabling their registration within the National Health System (NHS) and enhancing the quality assurance of health care services provided.

This measure consists in a financial support scheme for the accreditation of health institutions.

Investment 6 (C1.1I6): Generic cross border e-health services in Cyprus

The objective of this investment is to support Cyprus's cross-border exchange of patient health information within the EU.

This measure consists in support for cross-border patient data exchange with the Member States in the eHealth Digital Service Infrastructure (eHDSI).

Investment 7 (C1.1I7): Public warning system for emergency operations

The objective of this investment is to enhance Cyprus' civil protection system by establishing a public warning system for alerting on emergencies.

This measure consists in a public warning system through mobile phones.

Investment 5 (C1.1I5): Construction works and new equipment in Cyprus State Hospitals

The objective of this investment is to finance construction works and new equipment of Cyprus State Hospitals.

This measure consist in construction works or purchase of equipment for Cyprus State Hospitals.

Reform 3 (C1.1R3): Healthcare provision and reimbursement using value-based models

The objective of this reform is to change the reimbursement system for healthcare services.

The measure consists in value-based reimbursement in the General Health System.

A.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
2b	C1.1R1 National Centre for Clinical Evidence and Quality Improvement	Milestone	IT system for monitoring of clinical protocols	IT system accessible	-	-	-	Q4	2025	The IT system for monitoring at least 90 clinical protocols, including an e-learning platform, is accessible. The contractor shall certify that the clinical protocols have been peer reviewed.
3	C1.1R2 Design of an Electronic platform for the surveillance of Nosocomial Antibiotic Consumption and Healthcare – Associated Infections	Milestone	Adoption of the list of health care facilities	Adoption of the list of health care facilities	-	-	-	Q1	2023	Adoption of the list of health care facilities that shall be providing information to the Ministry of Health on antibiotic consumption and healthcare-associated infections that shall be monitored by the Ministry of Health.
4	C1.1R2 Electronic platform for the surveillance of Nosocomial Antibiotic Consumption and Healthcare-Associated Infections	Milestone	Electronic platform	Electronic platform accessible	-	-	-	Q4	2025	An electronic platform to record data from hospital pharmacies (nosocomial antibiotic consumption), microbiology laboratories (antimicrobial resistance), and hospitals (healthcare-associated infections (HAIs)) shall be accessible.
5	C1.1I1 New facilities for the Cyprus Blood Establishment and procurement	Milestone	Contract signature for the construction of the Cyprus Blood Establishment	Signature of the contract	-	-	-	Q3	2022	Signature of the contract with the selected tenderer(s) (contractor(s)) selected under a competitive call for tenders for the construction of the Cyprus Blood Establishment.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	of the latest technology attendant equipment									
6	C1.1I1 Cyprus Blood Establishment	Milestone	Blood establishment facilities and equipment	Facilities constructed and equipment purchased	-	-	-	Q2	2025	The Cyprus Blood Establishment facilities are constructed and equipment is purchased. The new facilities shall have a primary energy demand that is at least 20% lower than defined in the nearly zero-energy building (NZEB) requirement.
7	C1.1I2 Cyprus Innovative Public Health information and communications technology (ICT) System	Milestone	Influenza Sentinel Surveillance (ISS)System	Fully operational system	-	-		Q2	2022	The Influenza Sentinel Surveillance System module of the Cyprus Innovative Public Health information and communications technology (ICT) System shall be operational and a system monitoring its effectiveness shall be in place.
8	C1.1I2 Cyprus Public Health information System	Target	Sentinels registered in the module	-	Number	0	30	Q2	2024	At least 30 doctors are registered as sentinels in the influenza surveillance module of the Cyprus Public Health Information System.
9	C1.1I3 Purchase/replacement of medical equipment in hospitals	Target	Health institutions having benefitted from	-	Number	0	10	Q4	2023	At least ten of the applicant health institutions of various categories have received financial support from the scheme for medical equipment acquisition.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
			the financial support scheme							
10	C1.1I3 Support for the purchase of medical equipment in private hospitals	Target	Private hospitals purchased medical equipment with funding from the financial support scheme	-	Number	10	23	Q4	2025	At least 23 private hospitals have received financial support from the scheme to purchase medical equipment.
12	C1.1I4 Accreditation of health institutions	Target	Health institutions have received financial support for their accreditation	-	Number	0	30	Q2	2026	At least 30 health institutions have received financial support from the scheme and been accredited based on International Society for Quality in Healthcare (ISQua) standards.
13	C1.1I6 Deployment of generic cross border e-health services in Cyprus	Milestone	Completion of the analysis, design, and development phase of the IT System for cross-border e-health services	Completion of the analysis, design, and development phase of the IT System, as provided in a dedicated report by the deliverables acceptance team in the contracting authority	-	-	-	Q4	2023	The analysis, design and development of the IT System phase shall be completed. Specifications shall include: a) Service Location and capability lookup Profile / the Cross-Community Patient Discovery Profile (to locate communities that hold patient relevant health data and the translation of patient identifiers across communities holding the same patient's data). b) open source National Contact Point (OpenNCP) update that supports the eHDSI Automatic Data Collection (eADC). c) Update Patient Summary (PS-A), e-Prescription (eP), e-Dispencing (eD), unstructured clinical documents, and patient access to cross border data services, based on Wave 6 Clinical Document Architecture (W6 CDA) Implementation Guidelines by the e-Health network.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
14	C1.1I6 Generic cross border e-health services in Cyprus	Milestone	Cross-border patient data exchange	System for the exchange of patient data accessible	-	-	-	Q2	2025	System for the exchange of patient data between Cyprus and Member States of the European Union in the eHDSI is accessible, which may include but it is not limited to the following functionalities: e-prescription, e-dispensation, and patient summary. Additionally, the service for the unstructured original clinical documents is approved.
15	C1.1I7 Public warning system for emergency operations	Milestone	Public warning system gone live	System acceptance and go-live report for the public warning system	-	-	-	Q4	2025	The public warning system through mobile phones is delivered and gone live evidenced by the system acceptance and go-live report signed by the contractor.
17	C1.1I5 Construction works and new equipment in Cyprus State Hospitals	Target	Construction works or purchase of equipment in Cyprus State hospitals		Number	0	4	Q2	2024	Construction works or purchase of equipment in the following hospital units: (1) COVID-19 unit at Famagusta Hospital; (2) Mental Health Hospital; (3) Invasive Radiology Unit: (4) Paphos General Hospital. The Mental Health Hospital shall have a primary energy demand that is at least 20% lower than defined by the nearly zero-energy building (NZEB) requirement.
18	C1.1I5 Construction works and new equipment in Cyprus State Hospitals	Target	Construction works or purchase of equipment in Cyprus State hospitals		Number	4	12	Q2	2026	Construction works or purchase of equipment in the following hospital units: (1) Haemodyalisis Units at Paphos and Limassol Hospitals; (2) Limassol General Hospital; (3) Neurology clinic at Nicosia General Hospital; (4) Stroke unit at Nicosia General Hospital; (5) Health Center at Akaki, (6) Accident and Emergency Units at Nicosia General Hospital; (7) Accident and Emergency Units at Paphos General Hospital and (8) Larnaca General Hospital.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
										The Haemodyalisis Unit at Paphos Hospital, and the Health Center at Akaki shall have a primary energy demand that is at least 20% lower than defined by the nearly zero-energy building (NZEB) requirement. Purchase of equipment by the State Health Services Organization (SHSO-OKYPY).
16	C1.1R3 Healthcare provision and reimbursement using value-based models.	Milestone	Value-based reimbursement for primary and in-patient care	Value-based reimbursement for primary and in-patient care published	-	-	-	Q4	2024	Health Insurance Organisation (HIO) publishes the criteria and indicators of value-based reimbursement for primary and in-patient care. The publication may include, for example, circulars and announcements. HIO decision(s) concerning the reimbursement of healthcare providers within the framework of the General Healthcare System are published in the official gazette.

B. COMPONENT 2.1: CLIMATE NEUTRALITY, ENERGY EFFICIENCY AND RENEWABLE ENERGY

This component of the Cypriot Recovery and Resilience Plan aims to address the challenge of climate change mitigation by contributing to the country's transition to climate neutrality.

The objectives of the component are to improve the environment policy through measures relating to green taxation, the opening up of the electricity market and the facilitation of licensing of renewable energy and renovation projects. The component aims to improve the energy efficiency of the building stock and other infrastructure and to support green investments for SMEs, households, the wider public sector, and NGOs. The component also targets the alleviation of energy poverty and aims to address Cyprus' energy isolation.

The component supports addressing the Country Specific Recommendations for the years 2019 and 2020 that recommend focusing investment and investment-related policies on energy efficiency and renewable energy (Country-Specific Recommendation 4 of 2019 and Country-Specific Recommendation 3 of 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

B.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C2.1R1): Green Taxation

The objective of this reform is to support a more efficient use of environmental resources, reduce greenhouse gas emissions and to increase the penetration of renewable energy.

This measure consists in the entry into force of legal acts on a carbon tax on transport fuels, a charge on the landfill of municipal waste and an increase of existing water fees.

Reform 2 (C2.1R2): Independence of Cyprus Transmission System Operator (TSOC) from the incumbent Electricity Authority of Cyprus

The objective of the measure is to enhance competition in the electricity market by creating conditions for new investors to participate in the generation, storage, aggregation, demand response and supply of electricity.

The reform shall consist in ensuring the independence of the Cyprus Transmission System Operator (TSOC) from the incumbent Electricity Authority of Cyprus (EAC) in terms of governance, financial and personnel management. The measure shall also facilitate supplier switching, which is expected to reduce the cost of electricity for domestic and commercial/industrial customers.

The implementation of the reform shall be completed by 31 December 2021.

Reform 3 (C2.1R3): Digital One-Stop Shops to streamline RES projects permitting and to facilitate Energy Renovation in Buildings

The objective of the measure is to promote the implementation of RES projects by streamlining the RES projects permitting process. The reform shall also aim at accelerating the energy renovation of buildings.

The reform shall consist in digitalising the licensing permitting process for RES projects and establishing a single point of contact for technical and financial support for the purposes of energy renovation of buildings.

The implementation of the reform shall be completed by 31 December 2022.

Reform 4 (C2.1R4): Energy Storage Regulatory Framework

The objective of the measure is to establish a regulatory framework for promoting the participation of storage facilities in the electricity market.

The reform shall consist in amending the Transmission and Distribution Rules (TDRs) and the Trading and Settlement Rules (TSRs) to allow storage facilities to participate in the wholesale electricity market. This shall promote the generation of electricity from renewable energy systems and to contribute to the efficiency and economic viability of the electricity market as a whole.

The implementation of the reform shall be completed by 31 December 2021.

Investment 1 (C2.1I1): Energy-saving investments in SMEs and non-profit organisations

The objective of this investment is to reduce the primary and final energy consumption and the CO2 emissions in buildings and/or facilities owned or operated by SMEs and non-profit organisations.

This measure consists in support for building renovation and for making production processes use less energy.

Investment 2 (C2.1I2): Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty, including in households with vulnerable electricity consumers

The objective of the measure is to encourage the use of renewable energy sources and energy savings by the large stock of old dwellings, as well as to subsidise the implementation of small-scale energy renovations in households with vulnerable electricity consumers including energy-poor households and people with disabilities.

The investment shall consist in providing grants to at least 16 200 dwellings (including households of vulnerable electricity consumers) for thermal insulation of roofs and/or for the installation of a photovoltaic system and/or for the installation or replacement of Solar Water Heating (SWH) Systems of an existing dwelling.

The investment shall achieve on average at least a 30% primary energy demand reduction.

The implementation of the investment shall be completed by 30 June 2026.

Investment 3 (C2.1I3): Facilitating the transition of local communities towards climate investments

The objective of this investment is to facilitate the transition of local communities towards climate mitigation and adaptation.

The measure consists in a grant scheme for energy and sustainable climate adaptation investments in Local (Community) Councils.

Investment 5 (C2.1I5): Energy efficiency investments in public buildings

The objective of this investment is to facilitate energy efficiency investments in public buildings.

This measure is composed of two energy efficiency investments: (i) Fire Service Properties and Schools; and (ii) Nicosia General Hospital.

Investment 6 (C2.1I6): Expansion of the renewable energy and smart grids testing infrastructure at the University of Cyprus

The objective of this investment is to expand the existing renewable energy and smart grids testing infrastructure at the University of Cyprus and to connect it with the existing grid.

This measure consists in commissioning renewable energy and smart grids equipment.

Investment 7 (C2.1I7): Mass installation by the Distribution System Operator (DSO) of Smart Metering Infrastructure (Advanced Metering Infrastructure)

The objective of this investment is to facilitate the mass roll-out of smart meters in Cyprus.

This measure consists in the delivery of 400 000 smart meters to the Electricity Authority of Cyprus and the installation of 200 000 smart meters.

Investment 8 (C2.1I8): Monitoring and reduction of GHG emissions in agriculture

The objective of this investment is to monitor greenhouse gas emissions from agricultural activities in Cyprus, with a view to reducing GHG emissions in agriculture.

The investment consists in a GHG monitoring system.

Investment 9 (C2.1I9): Fire protection

The objective of this investment is to support the capabilities of authorities in Cyprus to cope with fire hazards and to invest in the protection against the risks faced by citizens, infrastructure, and forests.

This measure consists in the purchase of a firefighting aircraft, vehicles, equipment, and the construction of a fire station.

Investment 10 (C2.1I10): Market Management System (MMS) to facilitate the opening of the electricity market to competition

The objective of this investment is to introduce a Market Management System (MMS) by the Cyprus Transmission System Operator as a tool for facilitating the opening of the electricity market to competition.

This measure consists in the installation of the MMS marked by the first financial transactions taking place through the MMS, and the opening of Cyprus' electricity market.

B.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
19	C2.1R1 Green Taxation	Milestone	Entry into force of legal acts introducing a carbon tax on transport fuels, an increase of existing water fees and a charge on the landfill of municipal waste	Provision in the legal acts indicating the entry into force	-	-	-	Q1	2024	Entry into force of legal acts, which (a) introduce a carbon tax on transport fuels, (b) introduce an increase of existing water fees and (c) introduce a charge on the landfill of municipal waste.
21	C2.1R2 Independence of Cyprus Transmission System Operator (TSOC) from the incumbent Electricity Authority of Cyprus	Milestone	Law for the Regulation of the Electricity Market of 2021	Provision in the law indicating the entry into force of the 2021 "Law for the Regulation of the Electricity Market"	-	-	-	Q4	2021	Entry into force of the Law for the Regulation of the Electricity Market of 2021, which shall facilitate the opening of the electricity market to competition and boost the uptake of RES by: (a) achieving the independence of the Cyprus Transmission System Operator (TSOC) from the incumbent Electricity Authority of Cyprus (EAC) (autonomy in governance, financial autonomy and independence of TSOC personnel), (b) introducing the necessary steps for reducing the cost of electricity for domestic and commercial/industrial customers and (c) creating conditions of transparency and trust to motivate new investors in generation and supply of electricity.
22	C2.1R3 Digital One-Stop Shops to streamline RES projects	Milestone	Fully operational IT platform	Fully operational IT platform accepted by the Ministry of	-	-	-	Q4	2022	Fully operational IT platform for (1) guiding the applicant through the administrative permit application process in a transparent manner up to the delivery of one or several decisions by the

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	permitting and to facilitate Energy Renovation in Buildings			Energy, Commerce, and Industry						responsible authorities, (2) providing the applicant with all necessary information and involve, where appropriate, other administrative authorities.
23	C2.1R4 Energy Storage Regulatory Framework	Milestone	Amendment of the Transmission and Distribution Rules (TDRs) and Trading and Settlement Rules (TSRs)	Publication on the website of the Cyprus Energy Regulatory Authority of Amendment of the Transmission and Distribution Rules (TDRs) and the Trading and Settlement Rules (TSRs)	-	-	-	Q4	2021	Entry into force of an amendment to the Transmission and Distribution Rules (TDRs) and Trading and Settlement Rules (TSRs) which shall provide the necessary regulatory framework (market rules) and technical modalities that shall allow storage facilities to: - participate in the wholesale electricity market, - promote the development of an economically viable, efficient, safe, and consumer-oriented electricity market that prioritises the generation of electricity from renewable energy systems.
24	C2.1I1 Promoting energy efficiency investments in SMEs and non-profit organisations	Milestone	Support scheme for Promoting energy efficiency investments in SMEs, municipalities, communities, and the wider public sector	Publication of call for proposals for the support scheme for Promoting energy efficiency investments in SMEs, municipalities, communities, and the wider public sector	-	-	-	Q4	2021	Issue call for proposals for the support scheme for promoting energy efficiency investments in SMEs, municipalities, communities, and the wider public sector, following verification of state aid regulation to be applied by Commissioner for State Aid Control and Council of Ministers' decision approving the scheme's objectives. The investment shall aim at achieving on average at least a 30% primary energy demand reduction.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
26	C2.1I1 Energy saving investments in SMEs, and non-profit organisations	Target	Energy saving projects in buildings		Number	0	275	Q4	2025	Energy Performance Certificates or declarations from the energy auditor on achieved energy savings issued for 275 energy saving projects.
27	C2.1I2 Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers	Milestone	First call for proposals for Promoting renewables and individual energy efficiency measures in dwellings	First call for proposals published	-	-	-	Q2	2021	The first call for proposals for promoting renewables and individual energy efficiency measures in dwellings has been published on the RES and Energy Conservation Fund website. The investment shall aim at achieving on average at least a 30% primary energy demand reduction.
28a	C2.1I2 Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers	Target	Dwellings and households with vulnerable electricity consumers (including people with disabilities) having improved their energy performance	-	Number	0	16 200	Q4	2023	At least 16 200 dwellings, including 1 600 households with vulnerable electricity consumers (including people with disabilities), have improved their energy performance due to the financial support provided, with an objective to achieve on average at least a 30% primary energy demand reduction.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
28b	C2.1I2 Renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers	Target	Energy efficiency measures in dwellings	-	Number	16 200	18 450	Q2	2026	Reducing primary energy demand on average by at least 30% in 18 450 dwellings.
30	C2.1I3 Encouraging the use of renewables and energy savings by local/wider public authorities and facilitating the transition of local communities towards climate mitigation & adaptation	Milestone	First call for proposals to support local authorities in energy efficiency measures	Publish first call for proposals	-	-	-	Q3	2021	The first call for proposals to support local authorities in energy efficiency measures has been published on the RES and Energy Conservation Fund Website. The investment shall aim at achieving on average at least a 30% primary energy demand reduction.
32c	C2.1I3 Facilitating the transition of local communities towards climate investments	Target	Grant scheme to support sustainable climate adaptation investments	Number	-	0	27	Q2	2026	Grants disbursed for at least 27 climate adaptation investments in Local (Community) Councils.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
35	C2.1I5 Energy Efficiency Upgrading of public buildings	Target	Thermal insulation and photovoltaic systems installed in schools	-	Number	0	405	Q1	2022	Thermal insulation and photovoltaic systems installed in at least 405 schools with an objective to achieve on average at least a 30% primary energy demand reduction.
36	C2.1I5 Energy Efficiency Upgrading of public buildings	Target	Completion of set up and installation of photovoltaics system at the Nicosia General Hospital	-	Number	0	943	Q4	2023	Completion of set up and installation of PV system at the Nicosia General Hospital of total capacity of 943 KW.
37	C2.1I5 Energy Efficiency investments in public buildings	Target	Installation of photovoltaic systems in Fire Service Properties	-	Number	0	650	Q4	2025	Installation of photovoltaic systems, of a total capacity of 650KW, in Fire Service Properties.
38	C2.1I6 Upgrading renewable energy and smart grids testing infrastructure at the University of Cyprus	Milestone	Signature of contracts for the installation of equipment to upgrade the electricity grid into a smart grid	Contracts Signature	-	-	-	Q4	2023	Signature of contracts for the installation of equipment to upgrade the electricity grid into a smart grid following a successful public procurement procedure.
39	C2.1I6 Expansion of the renewable energy and smart grids testing infrastructure at the University of Cyprus	Milestone	Acceptance of renewable energy and smart grids testing equipment	Issued acceptance certificate(s)	-	-	-	Q4	2024	Acceptance certificate(s) issued, testifying commissioning and acceptance of the renewable energy and smart grids testing equipment.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
40	C2.1I7 Mass installation by the Distribution System Operator (DSO) of Smart Metering Infrastructure (Advanced Metering Infrastructure)	Milestone	Contract Signature for smart electricity metering infrastructure	Contract Signature	-	-	-	Q1	2024	Contract Signature for smart electricity metering infrastructure (Hardware, software, and support services).
42	C2.1I7 Mass installation by the Distribution System Operator (DSO) of Smart Metering Infrastructure (Advanced Metering Infrastructure)	Target	Acceptance and installation of smart meters	-	Number	0	400 000 delivered to Electricity Authority of Cyprus 200 000 installed	Q2	2026	Acceptance of 400 000 smart electricity meters by the Electricity Authority of Cyprus and installation of 200 000 of these.
43	C2.1I8 Monitoring and reduction of GHG emissions in agriculture	Milestone	Purchase and installation of monitoring units for measuring GHG emissions from agriculture	Approval of the equipment and installation by the receiving committee	-	-	-	Q2	2023	Purchase and installation of automobile unit and permanent monitoring units, for measuring GHG emissions from agriculture with the objective of implementing adequate policies to mitigate GHG emissions.
44	C2.1I8 Monitoring and reduction of GHG emissions in agriculture	Target	Reduction of GHG emissions from agriculture	-	% (Percentage)	0	10	Q4	2025	Report confirming a 10% reduction of GHG emissions from agriculture.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
45	C2.1I9 Forests fire protection	Milestone	Signing of 8 Agreements/ Contract Signatures for the purchase of vehicles, equipment and provision of services and issue of call for tenders for the purchase of firefighting aircraft	Signing of 8 Agreements/ Contract Signatures	-	-	-	Q2	2022	Signing of 8 Agreements/ Contracts Signatures with suppliers for the purchase of vehicles, equipment and provision of services and issue of call for tenders for the purchase of firefighting aircraft with the objective of contributing to climate change adaptation and to the reduction of the risk of explosion and expansion of forest fire and the strengthening protection against the risks faced by citizens, infrastructure and forests from a possible fire incident.
47	C2.1I9 Fire protection	Milestone	Acceptance of firefighting aircraft vehicles and equipment and construction of a fire station	Acceptance certificates issued for the delivery of firefighting aircraft vehicles and equipment, and taking-over certificate issued for the construction of a fire station	-	-	-	Q2	2026	Acceptance certificates issued for the delivery of firefighting aircraft, vehicles and equipment and taking-over certificate issued for the construction of a fire station.
48	C2.1I10 Market Management System (MMS) to facilitate the opening of the electricity market to competition	Milestone	Installation of the Market Management System	Issuing of Final Acceptance Certificate for the Market Management System.	-	-	-	Q1	2023	Installation of the Market Management System (MMS) for the Cyprus Electricity Market.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
48a	C2.1I10 Market Management System (MMS) to facilitate the opening of the electricity market to competition	Milestone	First financial transactions of the MMS	CERA Decision declaring the first day of electricity market trading, results of the electricity market for the first week of trading.				Q3	2025	Decision by CERA on the market operation evidenced by the first financial transactions performed through the MMS.

C. COMPONENT 2.2: SUSTAINABLE TRANSPORT

This component of the Cyprus recovery and resilience plan aims to promote cleaner, smarter, safer, and fairer urban mobility by encouraging a modal shift to sustainable modes of transport, and to promote the use of zero or low-emission vehicles (LEVs) as well as the use of digital systems in the transport sector.

The component addresses the country-specific recommendations on investment in sustainable transport (Country-Specific Recommendation 4 of 2019 and Country-Specific Recommendation 3 of 2020).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

C.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C2.2R1): Installation of an Intelligent Transport System using Digital Twin technologies

The objective of this reform is to introduce smart features to technological infrastructure.

This measure consists in installing an Intelligent Transport System.

Reform 2 (C2.2R2): Entry into force of legal act(s) regarding electric vehicle (EV) recharging infrastructure

The objective of this reform is to establish electro-mobility infrastructure for recharging EVs.

This measure consists in the entry into force of legal act(s) on recharging infrastructure for EV.

Reform 3 (C2.2R3): Entry into force of legal act(s) for the exclusion of polluting vehicles

The objective of this reform is to provide the regulatory framework to create incentives for replacing old and polluting vehicles, and for using sustainable commuting and mobility solutions.

This measure consists in the entry into force of legal act(s) allowing for the adoption of measures linked to the exclusion of polluting vehicles from certain areas.

Investment 2 (C2.2I2): Creation of electro-mobility infrastructure

The objective of this investment is to create the necessary infrastructure to facilitate the transition to electro-mobility.

This measure is composed of three sub-measures:.

Sub-measure 1: the installation of publicly accessible EV fast charging stations and of charging points for EVs of the public sector fleet

This investment consists in the installation of charging stations, of which 10 are publicly accessible.

Sub-measure 2: a grant scheme for the installation of publicly accessible charging points in the premises of businesses or local authorities

This scheme consists in support for the installation of charging points in the premises of businesses or local authorities.

Sub-measure 3: a grant scheme for charging EVs from RES

This scheme consists in providing financial incentives to support charging of EVs from RES, including the installation of photovoltaic systems and charging equipment.

Investment 3 (C2.2I3): Advance the use of Electric Vehicles (EVs)

The objective of this investment is the purchase of EVs, LEVs, electric bicycles and public or non-motorised modes of transport, while simultaneously gradually removing older polluting vehicles from circulation.

Sub-measure 1: kick-start the transition to electro-mobility in the public sector and local authorities

This investment consists in the purchase of electric vehicles for the public sector.

Sub-measure 2: a support scheme for the purchase of EVs

This scheme consists in providing grants for the purchase and registration of EVs and the purchase of electric bicycles.

Sub-measure 3: a scrapping scheme for the most polluting vehicles combined with incentives for non/low emission mobility options

This scheme incentivises motorists to give up combustion engine vehicles in exchange for alternative mobility options, for example the purchase of a LEV or of an electric bicycle and/or free annual bus tickets. It also incentivises recycling of scrapped vehicles.

Investment 1 (C2.2I1): Sustainable Urban Mobility Projects (SUMP) and accessibility-enhancing measures

The objectives of this investment are to create the necessary infrastructure to enhance urban mobility with more environmentally friendly options and to increase the city environment and road safety.

These measures consist in investments for the accessibility and safe movement of pedestrians, cyclists, and persons with disabilities in urban centres.

C.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
52	C2.2R1 Installation of an Intelligent Transport System using Digital Twin technologies	Target	Installation and connection to the National Access Point of at least 150 sensors	-	Number	0	150	Q1	2024	Acceptance certificates verifying the installation and connection to the National Access Point of a total of 150 traffic sensors
53	C2.2R1 Installation of an Intelligent Transport System using Digital Twin technologies	Target	Installation and connection to the National Access Point of a total of 300 sensors	-	Number	150	300	Q4	2025	Acceptance certificates verifying the installation and connection to the National Access Point of a total of 300 traffic sensors.
54	C2.2R2 Entry into force of legal act(s) regarding electric vehicle (EV) recharging infrastructure	Milestone	Entry into force of legal act(s) related to electric vehicle charging points	Entry into force of the legal act(s)	-	-	-	Q4	2024	Entry into force of legal act(s) regarding electric vehicle (EV) recharging infrastructure. The legal act(s) shall include a mechanism for the monitoring of the electric vehicle recharging infrastructure.
55	C2.2R3 Progressively phase out the most polluting vehicles, especially in polluted urban areas	Milestone	Entry into force of the legislative act related to the phasing out of the most polluting vehicles	Provision in the legislative act indicating the entry into force of the legislation	-	-	-	Q4	2023	Entry into force of the legislative act regarding the exclusion of polluting vehicles from areas or operations. The legislative act shall create the legal basis to enforce the adoption of restrictive measures related to the circulation of motor vehicles, with the aim to progressively phase out the most polluting vehicles.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
61	C2.2I2 Creation of electro-mobility infrastructure	Target	Installation of charging points	-	Number	0	1 000	Q2	2026	Certificate of electrical installation, issued by the Electrical authority of Cyprus shall be provided for the installation of at least 1 000 charging points in public buildings, businesses, and/or private households.
63a	C2.2I3 Advance the use of Electric Vehicles (EVs)	Target	Purchase and registration of electric vehicles and electric bicycles	-	Number	0	4 287	Q2	2026	Purchase and registration of at least 4287 electric vehicles of categories M1, M2-3, N, L1e-L7e and electric bicycles.
65	C2.2I3 Advance the use of Electric Vehicles (EVs)	Target	Scrapping of high emission vehicles	-	Number	0	1 393	Q2	2026	Completion certificate confirming the scrapping of at least 1 393 combustion engine vehicles replaced by electric bicycles, annual bus ticket(s) and low emission vehicles.
58	C2.2I1 Sustainable Urban Mobility Projects (SUMP) and accessibility enhancing measures	Target	Construction work for at least 35 km of sustainable transport routes	-	Number	0	35	Q1	2026	Taking over certificates issued by the Contracting Authority confirming construction work for at least 35km of sustainable transport routes.

D. COMPONENT 2.3: SMART AND SUSTAINABLE WATER MANAGEMENT

This component of the Cypriot recovery and resilience plan addresses inefficiencies in water management. The objectives of this component are to ensure supply of good quality drinking water, maximising the infrastructure for sewerage collection systems, sewerage treatment and reuse of treated effluent in agriculture, reducing water loss, non-revenue water and groundwater abstraction, improving anti-flood infrastructure, improving operational efficiency of the services being provided to the consumers through technological advances and establishing transparency in financial transactions.

The component addresses the Country Specific Recommendation on water management (Country-Specific Recommendation 3 of 2020 and Country-Specific Recommendation 4 of 2019).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

D.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C2.3R1): Water Resource Management Reform

The objective of this investment is to define actions addressing structural weaknesses in the water resource management in Cyprus.

The reform consists in the adoption of an action plan on water resource management.

Investment 2 (C2.3I2): Water Treatment Plants

The objective of this investment is to support projects in water treatment plants.

The measure consists in projects in the water treatment plants of Limassol, Asprokremmos, Tersefanou, Kornos and Kannaviou.

Investment 3 (C2.3I3): Integrated Monitoring and Control Management System for the Water Development Department's infrastructure

The objective of this investment is to support the Water Development Department (WDD).

The measure consists in a Monitoring and Control Management System for the WDD.

Investment 4 (C2.3I4): Smart Water and Sewerage Networks Management

The objective of this investment is to support management and energy efficiency of the water network of Larnaca and Limassol.

The measure consists in energy and digital projects on the water and wastewater systems of Larnaca and Limassol.

Investment 5 (C2.3I5): Anti-flood and water collection measures

The objective of this investment is to mitigate the negative effects from flooding events.

The measure consists in anti-flood and water collection construction projects in Nicosia, Larnaca and Limassol districts.

Investment 6 (C2.3I6): Water security projects

The objective of this investment is ensuring water security of Nicosia, Larnaca and Limassol districts.

The measure consists in the construction of water reservoirs in Nicosia, Larnaca and Limassol districts and of a water treatment plant in Limassol district.

Investment 8 (C2.3I8) Protection of the marine ecosystem from hazards through oil spills

The objective of the measure is to protect marine ecosystems through an upgrade of the operational capacity of the Department of Fisheries and Marine Research to respond promptly, adequately, and effectively to incidents from oil pollution to marine pollution.

The measure consists of the purchase of three antipollution vessels with the possibility of autonomous oil recovery operations, two of which shall operate close to the shoreline and the larger one on the high seas, as well as the purchase of two autonomous oil dispersant air spraying units.

The implementation of the investment shall be completed by 31 December 2025.

D.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
66	C2.3R1 Water Resource Management Reform	Milestone	Adoption and publication of an action plan on water resource management	Adoption and publication of the action plan on the website of the Ministry of Agriculture, Rural Development and Environment	-	-	-	Q2	2025	Adoption by the Council of Ministers and publication on the website of the Ministry of Agriculture, Rural Development and Environment of an action plan on water resource management.
70	C2.3I2 Water Treatment Plants	Milestone	Projects in Water Treatements Plants	Issued acceptance certificates				Q4	2025	Acceptance certificates for projects in Water Treatment Plants as follows: a) Installation of carbon polishing units in Tesferadou, Asprokremmos and Limassol b) Replacement of chlorination infrastructure in Limassol, Asprokremmos, Tersefanou, Kornos and Kannaviou c) Equipment to increase capacity of Asprokremmos Water Treatment Plant including the monitoring and control system.
71	C2.3I3 Integrated Monitoring and Control Management System for the Water Development Department's infrastructure	Milestone	Completion of the detailed requirements analysis and system design document	Approval of detailed requirements analysis and system design document by the Steering Committee of the Water Development Department	-	-	-	Q2	2022	The requirements analysis and system design document shall describe all the aspects, features, and functionalities of the system, including quality sensors, operational sensors (such as flow, level, and pressure), energy meters, communications devices, IT equipment (hardware, software). The detailed requirements analysis and system design shall determine the exact number and type of equipment required for this project.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
74a	C2.3I4 Smart Water and Sewerage Networks Management	Target	Delivery and installation of photovoltaics at the Larnaca Wastewater Treatment Plant		Number	0	700	Q1	2023	Delivery and installation of photovoltaic equipment at the Larnaca Wastewater Treatment Plant generating power of at least 700KW.
76b	C2.3I4 Smart Water and Sewerage Networks Management	Milestone	Energy and digital projects in Larnaca and Limassol	Issued acceptance certificates	-	-	-	Q2	2026	Acceptance certificates issued for the following projects: a. Quality and pressure sensors (at least 200 in total) and at least 100 000 smart meters for consumption reading. b. Digital Twin decision support tool and data bank in Limassol. c. Digital Twin decision support tool in Larnaca.
77a	C2.3I5 Anti-flood and water collection measures	Milestone	Completion of construction works of drainage network and reconstruction of streets and pavements in areas of Nicosia	Project management team certifies the completion of the construction	-	-	-	Q4	2022	Completion of construction of drainage network and reconstruction of streets and pavements in Agios Antonios, Old city, Likavitos and Agioi Omologites areas of Nicosia with a total length of approx. 6.5km.
77b	C2.3I5 Anti-flood and water collection measures	Milestone	Construction works of drainage network and reconstruction of streets and pavements in Nicosia and Limmasol districts	Taking over certificates	-	-	-	Q2	2026	Construction of drainage network and reconstruction of streets and pavements in Nicosia and Limassol districts.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
78	C2.3I5 Anti-flood and water collection measures	Milestone	Construction works for rainwater collection and recycling in Kladeri area	Taking over certificates	-	-	-	Q2	2024	Construction of rainwater collection and recycling system in Kladeri area.
79	C2.3I5 Anti-flood and water collection measures	Milestone	Construction works for the flood channel in Livadia	Taking over certificate				Q4	2025	Construction of a flood channel in Livadia.
80	C2.3I6 Water security projects	Target	Construction of two glass lined steel reservoirs in Nicosia district		m3	0	16 000	Q2	2024	Construction of two glass lined steel reservoirs in Nicosia District of a total capacity of 16 000m^3.
81	C2.3I6 Water security projects	Target	Construction of water related infrastructure in Nicosia, Larnaca and Limassol districts		m3	16 000	52 800	Q2	2026	Construction of water related infrastructure as follows: a. two glass lined steel reservoirs in Nicosia district, b. one concrete water reservoir in Larnaca district c. three water reservoirs in Limassol district d. water treatment plant in Limassol district. The total capacity of the water reservoirs in Nicosia, Larnaca and Limassol districts shall be at least 52 800 m3.
84	C2.3I8 Protection of the marine ecosystem from hazards through oil spills	Milestone	Delivery, quality inspection to verify their operational effectiveness and acceptance	Expert's reporting and issuance of quality certificate of the operational effectiveness	-	-	-	Q1	2025	Delivery, quality inspection to verify their operational effectiveness and acceptance of three vessels (one vessel of 25m in length approximately to operate within the Cypriot Exclusive Economic Zone and two vessels of 8-11m in length

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
			of three vessels and two aerial spraying systems	and acceptance of vessels and aerial spraying systems						approximately to operate within coastal waters and two aerial spraying systems.

E. COMPONENT 3.1: NEW GROWTH MODEL AND DIVERSIFICATION OF THE ECONOMY

The component addresses the challenges of the Cypriot economy with regards to competitiveness, productivity, and investment, as well as overreliance on certain economic sectors, such as tourism.

The objective of the component is to help the economy to transit to a new economic growth model (Sustainable Business and Trade Centre of Europe) by addressing sectoral challenges as follows:

Primary Sector: the objective is to develop a competitive agriculture sector primarily through agri-tech and strong collaboration with business, higher-education institutions, and research centres to excel.

Secondary Sector: the objective is to develop a competitive light manufacturing sector that includes a focus on areas such as green-tech and agri-tech.

Sustainable Tourism: the objective is to develop a strong agri-tourism and sustainable hospitality infrastructure and attracting health & wellness tourists through competitive and reputable healthcare.

Circular economy (with emphasis on waste management): the objective is to help move towards a circular economy by making better use of raw materials, reducing waste, raising awareness for sustainable development and switching to renewable energy in order to mitigate the climate crisis, protect social well-being and build a resilient economy. The component contributes to addressing the country specific recommendation related to "focus investment on the green and digital transition" and "on waste and water management" (Country-Specific Recommendation 3 of 2020), "focus investment-related economic policy on sustainable transport, environment" and "on environment, in particular waste and water management" (Country-Specific Recommendation 4 of 2019)

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

E.1. Description of the reforms and investments for non-repayable financial support

Sub-Component 3.1.1 Resilient and competitive primary sector

Reform 1 (C3.1R1): Move agricultural practices from the 20th century to the 21st century by investing in a national centre for excellence in agri-tech

The objective of the reform is to address challenges in the primary sector, including low productivity and lack of technological knowledge, by establishing a centralised operating model through strong collaboration between the Agricultural Research Institute and public universities.

The reform shall consist in establishing Cyprus's Agricultural Research Institute as the country's centre of excellence in agriculture, animal husbandry and environmental protection and to strengthen the cooperation between the Agricultural Research Institute and universities to develop new curricula.

The implementation of the reform shall be completed by 30 June 2023.

Reform 2 (C3.1R2): On-line platform for trade and information symmetry in the fresh produce supply chain

The objective of the reform is to address long-standing drawbacks of the fresh produce supply chain.

The reform consists in the entry into force of a law on unfair practices in transactions in the local fresh produce market. A Platform shall be offered to Producers' Organisations in the fresh produce market.

Reform 3 (C3.1R3): Genetic improvement of the Cyprus sheep and goat population

The objective of this reform is to enhance the productivity and sustainability of the primary sector.

The reform consists in the support for the use of technological advancements in milk recording methods and genomic evaluation of sheep and goats.

Investment 2 (C3.1I2): Support of isotopic database of Cypriot food or drink products

The objective of this investment is to create a blockchain-based verification methodology for the authentication of local products by using isotopic database(s).

The measure consists in the purchase and instalation of new Liquid Chromatography - Isotopic Ratio Mass Spectrometer (LC-IRMS) for isotopic characterisation; integrated isotopic DataBase(s) and blockchain system are connected for at least ten Cypriot food or drinks products.

Investment 3 (C3.1I3): Upskill the existing farming community and professionalise future labour force by investing in human capital

The objective of the measure is the upskilling of the farming community, through knowledge transfer and the promotion of innovation. In this way, it aims at fostering a more competitive agricultural sector with higher potential, through capacity building and knowledge transfer.

The investment shall consist in the granting of ten scholarships in the agricultural sector, of EUR 10 000 each, for supporting the development of the future labour force in the sector. It shall also support transfer of knowledge and innovation within the existing labour force, through the use of the Agricultural Knowledge and Innovation System with links to academia, bridging the gap between practical application on the one hand and knowledge, science, experience, and research on the other.

The implementation of the investment shall be completed by 31 December 2022.

Sub-Component 3.1.2 Innovative and competitive secondary sector

Investment 5 (C3.1I5): Creation of a National Commercial Identity and promotion of the traditional product “halloumi”

The objective of the measure is to establish a brand name for the Cypriot products in order to promote their export.

The investment shall consist in the development of action plans based on two studies: (a) one on the creation of a National Commercial Identity “Made in Cyprus” (branding) focusing on the quality and structural characteristics of Cypriot products and services combined with elements of the tradition and history of the island, and (b) a study for implementing a strategy for halloumi cheese in order to increase its distinctiveness as an authentic Cyprus product and designing a promotional and awareness campaign.

The implementation of the investment shall be completed by 31 March 2022.

Investment 6 (C3.1I6): Scheme for supporting the production of enterprises in the agricultural sector

The objective of this investment is to support the resilience of the agricultural sector, diversification of economic activity, and incentivise investments in new businesses or in the technological advancement of existing businesses.

The measure consists in providing grants to enterprises in the agricultural sector to finance investments in their production capabilities.

Investment 7 (C3.1I7): Scheme for the competitiveness and/or the energy efficiency of large enterprises in Cyprus

The objective of this investment is to support investments by large enterprises, including production process, technological and energy efficiency.

The measure consists in the publication of the call for proposals and the signature of grant agreements with at least 10 enterprises.

Sub-component 3.1.3 Sustainable, high value-added tourism

Investment 8 (C3.1I8): Added value of tourism

The objective of this investment is to support tourism, attract new markets, reduce seasonality, and improve the built environment, especially in the countryside, mountainous and remote areas.

This measure consists in a support scheme for renovation works in the hospitality sector.

Investment 9 (C3.1I9): Circular economy in hotels

The objective of this investment is to facilitate the transition of hotels' business model to circular, or to launch circular products or services.

This measure consists in diagnostics, recommendations, coaching, and monitoring of recommendations leading to certification.

Investment 10 (C3.1I10): Enrichment of tourism

The objective of this investment is to support the economy in rural, mountainous, and remote areas and to diversify tourism.

This measure consists in (I) the construction of the Aphrodite Route, and (ii) infrastructure works, which may include, but are not limited to, renovation or purchase of equipment by enterprises or local community boards.

Sub-component 3.1.4 Circular economy

Reform 4 (C3.1R4): Circular economy

The objective of this reform is to support the circular economy model in the country.

The measure consists of an Action Plan and a grant scheme for business investment in the circular economy.

Reform 5 (C3.1R5): Waste management coordination unit in the Department of Environment

The objective of this reform is to monitor municipal waste management.

This measure consists in a decision by the Council of Ministers on the framework for a unit for waste management coordination in the Department of Environment.

Investment 12 (C3.1I12): Waste management towards circular economy

The objective of this investment is to contribute to recycling of dry recyclables. This measure consists in the installation of 50 green kiosks for dry recyclables to help local authorities in remote areas to improve their waste management schemes.

Investment 11 (C3.1I11): Extension of the Cyprus Green Points Network

The objective of this investment is the management of solid waste and the protection of the environment and public health.

This measure consists in the setup of six Green Points to serve citizens and local authorities to deposit specific household and municipal waste streams.

E.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
85	C3.1R1 Move agricultural practices from the 20th century to the 21st century by investing in a national centre for excellence in agri-tech	Milestone	Cooperation between the Agricultural Research Institute and public universities, for joint MSc and PhD programmes	Entry into force of signed cooperation agreement(s)	-	-	-	Q4	2022	Entry into force of legally binding document(s) establishing the collaboration for joint MSc and PhD programmes signed between the Agricultural Research Institute and public universities.
86	C3.1R1 Move agricultural practices from the 20th century to the 21st century by investing in a national centre for excellence in agri-tech	Milestone	New joint Masters and/or PhDs in the wider domain of Agriculture	Media announcement and communication by competent authorities	-	-	-	Q2	2023	Enrolment of students and start of new joint Masters and/or PhDs in the wider domain of Agriculture.
87	C3.1R2 On-line platform for improving the trade and information symmetry in the fresh produce supply chain	Milestone	Law on unfair practices in transactions in the local fresh produce market	Provision in the law indicating the entry into force of the new law on unfair practices in transactions in the local fresh produce market	-	-	-	Q2	2022	Entry into force of a new law which shall address unfair trading practices in transactions in the local fresh produce market, such as unilateral and retroactive amendments to contracts, last minute cancellations, payment deadlines longer than 30 days, payment for damaged or unsold products and other actions affecting those involved in the production and distribution chain of agricultural products.
88	C3.1R2 On-line platform for trade and information symmetry in the fresh produce supply chain	Milestone	Platform for recording transactions in the local fresh produce market	Platform available to Producers' Organisations	-	-	-	Q2	2024	Online Platform for recording transactions in the fresh produce market shall be available to Producers' Organisations.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
90	C3.1R3 Genetic improvement of the Cyprus sheep and goat population	Milestone	Genomic evaluations registered in ARI database.	Aid disbursed and genomic evaluations registered in ARI database.				Q2	2026	Aid has been disbursed to farmers for the upgrade of the collection of data related to dairy production. Genomic evaluation for at least 15 000 unique sheep and goats have been registered in ARI (Agricultural Research Institute) database.
93	C3.1I2 Enhancement of isotopic database of traditional Cypriot products	Milestone	Liquid Chromatography-Isotopic Ratio Mass Spectrometer (LC-IRMS) equipment	Signed statement of the acceptance of equipment to the standard quality and time specified in the tender documents and the signed contract	-	-	-	Q4	2021	Purchase and Install New Liquid Chromatography- Isotopic Ratio Mass Spectrometer (LC-IRMS) equipment for isotopic characterisation.
94	C3.1I2 Support of isotopic database of Cypriot food or drink products	Target	Products connected to the system	-	Number	0	10	Q1	2025	Integrated Isotopic DataBase(s) and blockchain system are connected for at least ten Cypriot food or drinks products.
95	C3.1I3 Upskill existing and future farmers	Target	Scholarships granted	-	Number	0	5	Q4	2022	At least five scholarships granted to secondary school graduates to study degree courses related to agriculture, in cooperation with the Department of Agriculture, the Agricultural Research Institute and local universities.
97	C3.1I5 Creation of a National Commercial Identity and promotion of the traditional product “halloumi”	Milestone	Action Plans for (a) the “made in Cyprus” branding, and (b) for the promotion of the halloumi cheese	Publication of the Council of Ministers’ decision and of the action plan	-	-	-	Q1	2022	Adoption by the Council of Ministers of Action Plans that shall consist of: (1) assisting businesses to promote their products and services on the basis of the “made in Cyprus” branding, and (2) increasing the distinctiveness of the halloumi cheese as an authentic Cyprus product and designing a promotional and awareness campaign for it.
99	C3.1I6	Target	Grant agreements signed with	-	Number	0	120	Q1	2026	Signature of grant agreements with at least 120 enterprises in the agricultural sector

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	Scheme for supporting the production of enterprises in agricutlural sector		companies in the agricultural sector							for supporting their production capabilities.
100	C3.1I7 Scheme for the competitiveness and/or the energy efficiency of large enterprises in Cyprus	Milestone	Start of the grant scheme on large enterprises	Publication of the call for proposals on the Ministry website	-	-	-	Q3	2023	Following scheme approval by the Council of Ministers, issuance of call for proposals for the award of grants to large enterprises to expand existing business through investments that enhance the technological level, the production process, and their productivity, as well as to undertake investments that improve their energy performance. The terms of reference including eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.
102a	C3.1I7 Scheme for the competitiveness and/or the energy efficiency of large enterprises in Cyprus	Target	Grant agreements signed with enterprises	-	Number	0	10	Q2	2026	Signature of grant agreements with at least 10 enterprises.
103	C3.1I8 Added value of tourism	Target	Grant agreements signed with enterprises in the hospitality sector	-	Number	0	186	Q2	2024	Signature of grant agreements with at least 186 enterprises in the hospitality sector.
104	C3.1I8 Added value of tourism	Target	Grant to hotels or other tourism establishments	-	Number	0	36	Q2	2026	Signature of grant agreements with at least 36 hotels or other tourism establishments for renovation or refurbishing.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
104c	C3.1I8 Added value of tourism	Milestone	Renovation works of the Filoxenia Conference Centre	Acceptance certificate	-	-	-	Q4	2025	Acceptance certificate for the renovation works of the Filoxenia Conference Centre.
105	C3.1I9 Promotion of circular economy in hotel establishments	Target	Coaching scheme for circular economy	-	Number	0	50	Q2	2022	Signed collaboration agreements with at least 50 hotels have been signed for tailored business coaching for circular economy.
106	C3.1I9 Circular economy in hotel establishments	Target	Certified circular hotels	-	Number	0	18	Q1	2026	At least 18 hotels certified as circular hotels according to the national certification scheme national standards.
107	C3.1I10 Enrichment of tourism	Milestone	Aphrodite Route	Taking-over certificate	-	-	-	Q1	2024	Taking-over certificate for construction works for the Aphrodite Route.
108	C3.1I10 Enrichment of tourism	Target	Infrastructure works	-	Number	0	200	Q4	2025	Infrastructure works, which may include, but are not limited to, renovation or purchase of equipment in at least 200 enterprises and/or local community boards.
109	C3.1R4 Enhancement of circular economy in the Industry	Milestone	Approval of the National Action Plan for the Enhancement of Circular Economy in Cyprus	Publication of the Council of Ministers' decision for the approval of the National Action plan.	-	-	-	Q4	2021	Approval, by the Council of Ministers, of the National Action Plan for the Enhancement of Circular Economy in Cyprus
110	C3.1R4 Circular economy	Target	Signed grant agreement with companies which are moving into a circular operating model	-	Number	0	25	Q2	2026	Signature of grant agreements with at least 25 companies moving to a circular operating model, in compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list.
111	C3.1R5 Waste management coordination unit in the Department of Environment	Milestone	Waste management coordination unit	Publication of the Council of Ministers Decision	-	-	-	Q2	2025	Approval of the waste coordination unit in the Department of Environment by the Council of Ministers.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
112	C3.1I12 Waste management towards circular economy	Milestone	Signature of the contract for the installation of Green kiosks	Signature of the contract	-	-	-	Q3	2023	Signed contract for the set up and installation of at least 50 Green kiosks for dry recyclables.
115	C3.1I12 Waste management towards circular economy	Target	Installation of green kiosks	-	Number	0	50	Q4	2025	At least 50 green kiosks are installed.
116b	C3.1I11 Extension of the Cyprus Green Points Network	Target	Installation of six Green Points	-	Number	0	6	Q2	2026	Six Green Points are installed.

F. COMPONENT 3.2: ENHANCED RESEARCH AND INNOVATION

The component of the Cypriot recovery and resilience plan addresses the challenges that Cyprus faces as regards the Research and Development ecosystem that plays a relatively limited role in economic growth. This is mainly due to a low share of Science, Technology, Engineering and Math (STEM) graduates, limited interaction of the public research system with the business sector and limited access and availability of risk funding.

The objectives of the component are to strengthen links between research organisations and enterprises, commercialise research results, increase intensity in research & development (R&D) activity and investments by both public and private organisations, as well as to make all publicly funded research infrastructure accessible to the entire ecosystem. Furthermore, it aims to enhance financial support to start-ups, scale-ups, SMEs, internationalise the local research and innovation (R&I) ecosystem, develop local talent and attract talent from abroad to work in R&I with emphasis on specific thematic areas.

The component addresses the Country-Specific Recommendations on increasing the focus on investment-related economic policy on research and innovation (Country-Specific Recommendations 3 of 2020 and 4 of 2019).

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

F.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C3.2R1): National Research and Innovation Policy

The objective of the reform is to support the R&I Ecosystem.

This measure consists in the adoption of the R&I Strategy and the Action Plan.

Reform 2 (C3.2R2): Incentives to encourage and attract investments and human capital in Research and Innovation

The objective of the measure is to attract investment in innovative companies and entrepreneurial and scientific talents from abroad.

The reform shall consist in the extension of the application of the tax scheme for investing in innovative companies to legal entities (from physical persons currently). Eligible investments of up to EUR 150 000 per investor, under this incentive, include equity, loans, guarantees and factoring. In addition, it shall consist in the review, promotion and, where appropriate, amendment of current incentive schemes aimed at attracting talents from third countries, including the Scientific VISA scheme for researchers and their families and the Start-up VISA scheme for founders of innovative enterprises and their families.

The implementation of the reform shall be completed by 30 September 2022.

Reform 3 (C3.2R3): Support access to publicly funded research infrastructure

The objective of the reform is to support access to publicly funded research infrastructure.

This measure consists in the publication of the National Policy of the Republic of Cyprus for Open Science Practices.

Investment 1 (C3.2I1): Set up a central knowledge transfer office (cKTO)

The objective of the investment is to support academia-business collaboration and commercialisation of research results to enhance technology transfer in Cyprus.

This measure consists in a central Knowledge Transfer Office.

Investment 2 (C3.2I2): Innovation funding programmes

The objective of the investment is to support enterprises and start-ups on R&I activities and to support research organisations to create open access research infrastructures.

This measure consists in projects on R&I activities.

Investment 3 (C3.2I3): R&I funding programme on green transition

The objective of the investment is to support projects on green transition activities.

This measure consists in projects on green transition R&I activities.

Investment 4 (C3.2I4): Funding schemes for R&D activities on dual-use technologies and classified laboratories

The objective of the investment is to support dual-use technologies, which would otherwise only serve government/military purposes, for civilian, commercial and societal interests.

The measure consists in the signature of grant agreements and the issuing of facility security clearance certificates.

F.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
120	C3.2R1 National R&I Policy and policy tools	Milestone	Adoption of the national R&I Strategy and of the Action Plan to implement it	Publication of the Council of Ministers' decision	-	-	-	Q4	2022	Develop an integrated R&I Strategy, providing a long-term perspective framework, ensuring a focused effort and commitment for implementation, over time, on behalf of the State and stakeholders involved in the national R&I system, and a digital tool for the dynamic mapping of the R&I ecosystem.
121	C3.2R1 National Research and Innovation Policy	Milestone	Performance-based funding mechanism; guideline(s) and recommendation(s) for accessing publicly funded infrastructures; framework for monitoring and coordinating the participation in ESFRI Landmarks	Approval of a performance based funding-mechanism; approval of recommendation(s) and guideline(s); approval of a framework	-	-	-	Q2	2026	Approval by the Deputy Ministry of the performance-based funding mechanism for publicly funded organizations, which may include but is not limited to the Centers of Excellence. Approval by the Permanent Secretary (DMRID) of the recommendation(s) and guideline(s) for accessing publicly funded research infrastructure, which may include but is not limited to access conditions and pricing. Approval by the Permanent Secretary (DMRID) of a framework for monitoring and coordinating the participation in European Strategy Forum on Research Infrastructures (ESFRI) Landmarks.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
122	C3.2R2 Incentives for investments and human capital in R&I	Milestone	Tax exemption of legal entities for investing in innovative companies	Provision in the law indicating the entry into force of the legislation	-	-	-	Q1	2022	Entry into force of a law establishing the tax exemption of corporate investors (legal entities) for investing in innovative companies.
123	C3.2R3 Policies to foster access to publicly funded research infrastructure and laboratories	Milestone	Digital registry to record and publish research infrastructure	Link to the digital registry published in the Deputy Ministry for Research, Innovation and Digital Policy website	-	-	-	Q4	2022	Development and start of operation of a digital registry to record and publish research infrastructure that shall facilitate the request of access of interested parties to such infrastructure. It shall include the mapping of all publicly funded research institutions (under Horizon 2020, national schemes). It shall also improve visibility of the Research Institutions and support collaboration with the private sector.
124	C3.2R3 Support access to publicly funded research infrastructure	Milestone	National Policy of the Republic of Cyprus for Open Science Practices	Publication of the National Policy of the Republic of Cyprus for Open Science Practices	-	-	-	Q4	2024	Publication of the National Policy of the Republic of Cyprus for Open Science Practices.
125	C3.2I1 Set up and operate a central Knowledge Transfer Office (KTO)	Milestone	Launch of KTO	Opening of KTO's first case	-	-	-	Q2	2022	The Research and Innovation Foundation, responsible for putting in operation the KTO, has hired or contracted highly trained staff and/or experts to provide expert knowledge transfer services. Systems and tools shall be in place to support KTO operation. The KTO shall start the provision of services to universities, other research organisations or enterprises.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
126	C3.2I1 Set up a central Knowledge Transfer Office (cKTO)	Target	Progress report on the provision of knowledge transfer support services	-	Number	0	30	Q4	2025	Progress report issued by META, on the provision of knowledge transfer support services for at least 30 projects. cKTO business plan issued by the Research and Innovation Foundation (RIF), which may include but is not limited to a SWOT analysis.
127	C3.2I2 Innovation funding programmes for start-ups, innovative companies, and SMEs	Milestone	Signature of grant agreements for 50% of budget	Grant agreements signed	-	-	-	Q4	2022	Signing of grant agreements which commit at least 50% of total budget (contracts of a total v.alue of at least EUR 26 000 000 total budget) for innovation funding programmes for start-ups, innovative companies and SMEs, with terms of reference including eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.
128	C3.2I2 Innovation funding programmes for start-ups, innovative companies, and SMEs	Target	Completed projects to carry out R&I related activities	-	Number	0	70	Q3	2023	At least 70 completed projects to carry out R&I related activities.
129	C3.2I2	Target	Projects on R&I activities	-	Number	70	231	Q2	2026	Reports issued by the RIF for at least 231 projects on R&I activities.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	Innovation funding programmes									
130	C3.2I3 R&I funding program on green transition	Milestone	Signature of grant agreements for a R&I funding programme of EUR 6 million budget	Grant agreements signed by the Director of the Research and Innovation Foundation	-	-	-	Q4	2022	Signing of grant agreements for the selected proposals to be funded under a R&I funding program on green transition, with a total budget of EUR 6 million, with terms of reference including eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.
131a	C3.2I3 R&I funding program on green transition	Target	Projects on green transition R&I activities	-	Number	0	10	Q2	2026	Reports issued by the RIF for at least 10 projects on green transition R&I activities.
132	C3.2I4 Funding to organisations performing R&D activities on dual technologies	Milestone	Signing of grant agreements which commit 80% of total budget for funding to organisations performing R&D activities on dual technologies	Grant agreements signed	-	-	-	Q2	2023	Signing of grant agreements which commit 80% of total budget (contracts of at least a total value of 2 400 000 euro total budget) for funding to organisations performing R&D activities on dual technologies, with terms of reference including eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
133	C3.2I4 Funding schemes for R&D activities on dual-use technologies and classified laboratories	Target	Facility security clearance certificates	-	Number	0	16	Q2	2026	At least 16 facility security clearance certificates issued.

G. COMPONENT 3.3: BUSINESS SUPPORT FOR COMPETITIVENESS

This component of the Cypriot Recovery and Resilience plan addresses the challenges of low productivity and competitiveness of the economy, driven by the enterprises' small size on average, the complex licensing process requested for an investment and difficulties of access to funding to business. The objectives of this component are to support entrepreneurs and enterprises and improve their competitiveness and contribution to the growth of the economy by improving the regulatory framework regarding investment and entrepreneurial activity and to enhance SMEs productivity, mainly through digitalisation. It consists of six reforms and four investments, to be completed by Q2 2026.

The component addresses the Country-Specific Recommendation 3 of 2020 and Country-Specific Recommendation 4 of 2019.

G.1. Description of the reforms and investments for non-repayable financial support

Investment 1 (C3.3I1): Information system for the Department of Registrar of Companies and Intellectual Property.

The objective of this investment is to support and digitalize the Department of Registrar of Companies and Intellectual Property.

This measure consists in a Registry Platform for the Companies Section of the Department of Registrar of Companies and Intellectual Property and trainings being provided.

Reform 1 (C3.3R1): Facilitation of Strategic investments

The objective of the measure is to develop a new system supporting strategic investments, aiming at stimulating investment activity in the country through streamlined rules and mechanisms, simplifying the licencing and permit procedures, reducing the administrative burden, and making the strategic investment environment more efficient. The definition of strategic investment refers to investments in strategic sectors (including Health and Social Care, Education, Culture, Sport, Environment, Industry, Tourism, Energy, Research, Development, and Innovation) that significantly contribute to the development of the economy.

The reform shall consist in the entry into force of a legislation for the facilitation of strategic investments, in regards to the efficiency of obtaining investment licenses and building permits. A dedicated governmental sector shall be assigned for the processing of strategic investments. It shall consist in the preparation of the operational guidelines, process flows, and other ISO 9001:2015 requirements for mainstreaming the process. It shall develop Memorandum of Understandings with other Departments relevant to parts of the process in order to ensure the fast-track mechanism's feasibility. Moreover, it shall include training of employees in the procedures to be introduced. In addition, the reform shall benefit from the set-up of a digital platform that shall enable applying, studying, and issuing Planning and Building Permits digitally, through an application management tool and a GIS system (project under Component 3.4: "enhancing e-system for issuing building permits").

The implementation of the reform shall be completed by 30 June 2023.

Reform 2 (C3.3R2): Supporting Fast-Track Business Activation Mechanism

The objective of this reform is the digitalisation of business support.

This measure consists in an interactive digital platform for business support being accessible.

Reform 7 (C3.3R7): Screening of Foreign Direct Investment

The objective of this reform is to establish a mechanism for assessing foreign direct investment in the economy.

This measure consists in the entry into force of a Foreign Direct Investment screening law.

Reform 4 (C3.3R4): Incorporation of a National Promotional Agency

The objective of this reform is to facilitate access to finance for enterprises.

This measure consists in incorporating a National Promotional Agency (NPA).

Reform 6 (C3.3R6): Incentives to promote mergers & acquisitions

The objective of the measure is to incentivise the increase of SMEs' size.

The reform shall consist in targeted incentives to promote the mergers or acquisitions of enterprises in order to scale-up and become more competitive. In particular, the reform shall consist in the approval of a report and an accompanying action plan by the Council of Ministers, following the evaluation of similar regimes within the EU and consultation with stakeholders for specific incentives for promoting mergers and acquisitions.

The implementation of the reform shall be completed by 31 December 2022.

Investment 2 (C3.3I2): A Regulatory Sandbox

The objective of the measure is to allow companies to test products and services in a controlled environment.

The investment consists in a Regulatory Sandbox for Fintech, start-ups, and other companies.

Investment 4 (C3.3I4): Scheme for the digital upgrade of enterprises

The objective of this reform is to support the integration of digital technology in enterprises established in Cyprus.

This measure consists in the provision of grants for digital investments of enterprises.

Investment 6 (C3.3I6): State funded equity fund

The objective of this investment is the support of access to alternative sources of finance.

This measure consists in the incorporation of an equity fund.

Reform 8 - (C3.3R8): The Provision of Crowdfunding Services for Business Law

The objective of the reform is to foster a secure and transparent crowdfunding environment, promoting alternative sources of financing opportunities for start-ups and SMEs, while maintaining high standards of investor protection.

The reform consists in the entry into force of the Provision of Crowdfunding Services for Business Law.

G.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
134	C3.3R1 Facilitation of Strategic investments	Milestone	Law for strategic investments	Provision in the law indicating the entry into force of the law	-	-	-	Q1	2022	Entry into force of a law supporting strategic investments in Cyprus which shall include the following elements: streamlining of procedures for licencing strategic investment, project manager for each project, timely issuance of building permits.
135	C3.3R1 Facilitation of Strategic investments	Milestone	Organisational capacity's enhancement for the facilitation of strategic investments	Publication in the official gazette the setup of a government sector facilitating the reform, and of the process system and guidelines, and stated verification by the coordinating authority of training completion	-	-	-	Q2	2023	Publication in the official gazette of the completion of the setup of a sector in the Department of Town Planning and Housing for the enhancement of the facilitation of strategic system; publication of the process system and of the guidelines design; and reporting by the Coordinating authority of key personnel training for the implementation of the reform.
136	C3.3R2 Enhancing Fast-Track Business Activation Mechanism	Milestone	Establishment of an electronic system where investors can submit their online application	Announcement by the Ministry of Commerce of the electronic system accepting applications	-	-	-	Q4	2022	Upgrade of the services of applications for business permit issuance, guidance for establishment and operation, provision of information for all the necessary permits required by the company to start operations, facilitation for the issuance of residence and employment permits in Cyprus for third-country nationals, application for registration as a foreign interest company through the establishment of an electronic system where investors may submit their online application.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
137	C3.3R2 Supporting Fast-Track Business Activation Mechanism	Target	Application assessment through the platform	-	Number	0	50	Q4	2025	Assessment of at least 50 applications for investment through the platform.
138a	C3.3R7 Screening of Foreign Direct Investment	Milestone	Entry into force of the legal act(s) on foreign Direct Investment screening	Entry into force of the legal act(s)	-	-	-	Q2	2026	Entry into force of the legal act(s) on the foreign Direct Investment screening.
140	C3.3R4 Design and establish a National Promotional Agency	Milestone	Approval by the Council of Ministers of the roadmap for the creation and establishment of a National Promotional Agency	Publication of the Council of Ministers' decision	-	-	-	Q2	2023	Approval by the Council of Ministers of the roadmap for the creation and establishment of a National Promotional Agency which shall facilitate access to loans and guarantees to Small and Medium Enterprises and enhance the absorption capacity of EU financing through EU tools.
141	C3.3R4 Incorporation of a National Promotional Agency	Milestone	Incorporation of Cyprus National Promotional Agency	Appointment of the Board of Directors				Q3	2025	Incorporation of Cyprus National Promotional Agency, including the appointment of the Board of Directors.
142a	C3.3R8 The Provision of Crowdfunding Services for Business Law	Milestone	Entry into force of legal act(s) on the Provision of Crowdfunding Services for Business Law	Provision in the law indicating the entry into force of legal act(s)	-	-	-	Q4	2024	Entry into force of the legal act(s) on the Provision of Crowdfunding Services for Business.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
143	C3.3R6 Incentives to promote mergers and acquisitions.	Milestone	Action Plan for incentives for mergers and acquisitions	Council of Ministers adoption of a report and the accompanying action plan	-	-	-	Q4	2022	Approval of a report and an accompanying action plan by the Council of Ministers on specific incentives for promoting mergers and acquisitions, following the evaluation of similar regimes within the EU and consultation with stakeholders.
144	C3.3I2 A Regulatory Sandbox	Milestone	Regulatory Sandbox	Regulatory Sandbox is accessible.	-	-	-	Q2	2024	A Regulatory Sandbox is accessible.
147	C3.3I4 Scheme for the digital upgrade of enterprises	Milestone	Publication of call for proposals following approval of the scheme by the Council of Ministers	Official announcement of the call for proposals in the press, the MECI/ITS website and MECI/ITS social media	-	-	-	Q2	2023	Publication of call for proposals for grants covering a percentage of expenditure that shall enhance the digital identity of the businesses or shall increase the amount of small and medium-size enterprises that use information and communication technologies (including the e-commerce sector), or shall promote digital entrepreneurship, following approval of the scheme for the digital upgrade of enterprises by the Council of Ministers.
148	C3.3I4 Scheme for the digital upgrade of enterprises	Target	Grant agreements signed	-	Number	0	290	Q2	2026	Signature of grant agreements with at least 290 enterprises.
151	C3.3I6 State funded equity fund	Milestone	Setup of the Fund	Registration of the Fund	-	-	-	Q4	2022	The setup of the Fund is completed. The Fund shall increase the availability of alternative financing sources, particularly for innovative companies and start-ups. The investment policy shall include eligibility criteria for investees to ensure compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) of supported transactions under this measure through the

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
										use of sustainability proofing, the requirement of compliance with the relevant EU and national environmental legislation, and the requirement for beneficiaries that derived more than 50% of their revenues during the preceding financial year from activities or assets in the exclusion list to adopt and publish green transition plans.
152	C3.3I6 State funded equity fund	Target	Investees supported through the Fund		Number	0	7	Q2	2026	At least 7 investees supported through equity financing by the Fund.
153	C3.3I1 Integrated Information system for the Department of Registrar of Companies and Intellectual Property	Milestone	System hardware, software, and networking installation	Certificate of receipt and acceptance issued	-	-	-	Q1	2024	Installation of system hardware, software, and networking.
154	C3.3I1 Information system for the Department of Registrar of Companies and Intellectual Property	Milestone	Training courses	Training courses given				Q4	2025	Training courses given on the information system of the services which may include, but it is not limited to HE1-Registration of Company, HE4-Change of official particulars and HE57-Transfer of shares of the Companies section of the Department of Registrar of Companies and Intellectual Property.

H. COMPONENT 3.4: MODERNISING PUBLIC AND LOCAL AUTHORITIES, MAKING JUSTICE MORE EFFICIENT AND FIGHTING CORRUPTION

This component of the Cypriot recovery and resilience plan addresses long-standing challenges in the functioning of public administration, at both the central and the local levels, the justice system, and the anti-corruption framework. The objectives of the component are: (i) to increase the effectiveness, efficiency and relevance of government processes, considering current challenges, needs, and expectations of citizens and businesses, (ii) to strengthen the administrative capacity and cooperation of the Ministry of Interior and local governments to ensure the effective implementation of the new local administration model, (iii) to improve the effectiveness, including quality and efficiency, of the justice system, through accelerating the administration of justice and reducing the backlog of cases, and (iv) to achieve greater coherence to the government's efforts to fight corruption.

The reforms and investments included in the component contribute to addressing the Country-Specific Recommendations on improving efficiency in the public sector, in particular as regards the functioning of the public administration and of local governments (Country-Specific Recommendations 1 of 2019 and 4 of 2020), on promoting flexible working arrangements (Country-Specific Recommendation 2 of 2020), on improving the efficiency and digitalisation of the judicial system (Country-Specific Recommendation 5 of 2019 and Country-Specific Recommendation 4 of 2020) and on anti-corruption reforms (Country-Specific Recommendation 5 of 2019).

H.1. Description of the reforms and investments for non-repayable financial support

Subcomponent 3.4.1: Modernising the Public Sector

Reform 1 (C3.4R1): Support the functioning of public administration.

The objective of this reform is to support the human resource management within the general public administration and the administrative capacity of the Cyprus Police. This measure consists in (i) the adoption of measures to support the human resource management of the public administration; and (ii) the reorganisation and modernisation of the Cyprus Police by designing and implementing a new model of policing and operations.

Reform 2 (C3.4R2): Regulate flexible working arrangements in the public sector

The objective of this reform is to allow for the use of flexible working arrangements.

This measure consists in the entry into force of legal act(s) on flexible working arrangements in the public sector.

Reform 3 (C3.4R3): Introduce new framework for evaluation and selection process for filling public service vacancies and new regulations for the evaluation of employees' performance

The objective of this reform is to support the functioning of the public service.

This measure consists in the entry into force of legal act(s) on the recruitment, evaluation and promotion of civil servants.

Reform 4 (C3.4R4): Digitalisation of public procurement

The objective of this reform is to introduce new procurement processes using digital tools.

This measure consists in a digitalised e-procurement system.

Reform 5 (C3.4R5): Enhancement of the capacity of the Law Office

The objective of the reform is to implement a digital transformation of the Law Office, aiming to increase its efficiency and effectiveness, as well as the productivity, quality of work and working conditions of the employees.

The reform shall consist in digitalising the processes and procedures of the Law Office by introducing an IT system (eLaw System). During the implementation of the project, a business analysis shall assess needs for process re-engineering.

The implementation of the reform shall be completed by 31 December 2023.

Investment 3 (C3.4I3): Economic Policy Modelling Hub

The objective of this investment is to increase the use of quantitative modelling techniques for policy impact assessment.

This measure consists in modelling tools for policy impact assessment.

Subcomponent 3.4.2: Local Administration and Spatial reform

Reform 6 (C3.4R6): New legal framework for Local Authorities and support measures

The objective of this reform is to support the decision-making power, administrative autonomy, and efficiency of local authorities in Cyprus.

This measure consists in the entry into force of legal act(s) on the organisation of local authorities in Cyprus and training.

Reform 7 (C3.4R7): Urban land consolidation

The objective of this reform is to reduce the pressure for municipalities' expansion and increase soil seal.

This measure consists in (i) for the entry into force of a law on urban land consolidation and (ii) the publication of pilot urban land consolidation plans approved for utilisation in selected areas.

Investment 4 (C3.4I4): E-system for issuing building permits

The objective of the investment is to increase the efficiency of building permit procedures.

This measure consists in (i) expanding the e-application environment of the existing Hippodamos IT system for planning and permitting, to enable all planning authorities and building authorities (municipalities) to submit applications for planning and building permits from a common platform; (ii) additional functionalities in the Hippodamos system.

Investment 5 (C3.4I5): Smart cities

The objective of this investment is to coordinate on-going smart cities initiatives.

This measure consists in a smart cities platform with mobile applications.

Investment 6a (C3.4I6a): Regeneration and Revitalisation of Nicosia Inner City

The objective of this investment is to revitalise the Nicosia inner city.

This measure consists in renovating rooms in Nicosia's inner city.

Subcomponent 3.4.3: Efficient Justice System

Reform 8 (C3.4R8): Efficiency of Justice

The objective of the reform is to reduce the high backlog of cases pending before the courts

This measure consists in the reduction of the backlog of cases and appeals.

Reform 9 (C3.4R9): Digital transformation of courts

The objective of this reform is to digitalise the justice system.

This measure consists in making the phase one of the i-justice system accessible.

Investment 7 (C3.4I7): Training of judges

The objective of this investment is to address the low level of training and lifelong learning for judges.

This measure consists in training of judges on the revised Civil Procedure Rules and other judicial skills.

Investment 8 (C3.4I8): Upgrading the infrastructure of courts

The objective of the investment is to address inefficiencies of the justice system caused by inadequate court buildings, both in terms of quantity and quality.

The investment shall consist of the construction of an extension to the Famagusta District Court building.

The implementation of the investment shall be completed by 31 December 2021.

Subcomponent 3.4.4: Fighting Corruption

Reform 10 (C3.4R10): Improving the legal and institutional framework for fighting corruption

The objective of the reform is to achieve greater coherence in the fight against corruption by implementing the national horizontal action plan against corruption.

The reform shall consist of: (i) legislation to protect whistle-blowers, to enhance transparency in public decision-making processes and to prevent conflict of interest, (ii) establishment and operation of an independent authority against corruption, which shall coordinate the efforts of all bodies engaged in the fight against and prevention of corruption and shall supervise the timely implementation of actions by the different competent services (iii) anti-corruption public awareness and trainings and (iv) reinforcement of the Internal Audit Units in all the Ministries and the Internal Audit Service.

The implementation of the reform shall be completed by 30 June 2024

H.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
155	C3.4R1 Enhance the administrative capacity and improve the functioning of public administration for better policy making and implementation	Milestone	Action Plan on the efficient management of human resource issues in the national public administration	Adoption of the Action Plan by the Council of Ministers	-	-	-	Q1	2022	The Council of Ministers has adopted an Action Plan that shall include: - Guidelines, templates and implementation support by the Public Administration and Personnel Department (PAPD) to line ministries' administration in relation to human resource management issues such as re-organisation and re-structuring, simplification of procedures and workforce planning. - Implementation of a revised organisational structure of PAPD - Learning and Development Plan for PAPD staff. - Training Plan for line ministries' administration
156	C3.4R1 Enhance the administrative capacity and improve the functioning of public administration for better policy making and implementation	Milestone	New human resources management framework for Cyprus Police	Adoption by the Chief of Police	-	-	-	Q4	2023	The new human resources management framework for Cyprus Police shall cover following areas: - Analysis and creation of job descriptions - Recruitment - Motivation - Training and Development - Compensation and Benefits - Labour and employee relations and communication - Management of retired members - Safety and Health

										- Human resource management strategy
157	C3.4R1 Support the functioning of public administration	Milestone	Guidelines and manuals, legal act(s), and trainings on management of human resources in the public administration	Guidelines and manuals publicly online. Provision in the legal act(s) indicating their entry into force. Trainings provided.	-	-	-	Q4	2025	Guidelines and manuals on human resource management of public administration shall be publicly available online. Legal act(s) on disciplinary matters in the public administration shall enter into force. Trainings shall be provided to staff on human resource management of the public administration.
158	C3.4R2 Regulate flexible working arrangements in the public sector	Milestone	Decision on flexible working arrangements in the public sector	Decision by the Council of Ministers	-			Q1	2023	A study regarding flexible working arrangements in the public sector shall be conducted. The PAPD shall assess the study's recommendations considering appropriate safeguards aiming at improving the effectiveness of the public service. Following the assessment of the study's recommendations, a decision regarding their implementation shall be taken by the Council of Ministers.
159	C3.4R2 Regulate flexible working arrangements in the public sector	Milestone	Flexible working arrangements	Provision in the legal act(s) indicating their entry into force	-	-	-	Q4	2024	Entry into force of legal act(s) on flexible working arrangements in the public sector.
160	C3.4R3 Introduce new framework for evaluation and selection process for filling public service vacancies and new regulations for the evaluation of	Milestone	Entry into force of legislation for the evaluation and selection process for public service vacancies and regulations for employees' performance evaluation.	Provision in the relevant law(s) and regulations indicating their respective entry into force	-	-	-	Q4	2021	The main elements shall be: (i) entry into force of a law providing for the evaluation and selection of candidates to fill the public service promotion posts, including managerial posts, with new criteria and methods based on objective assessment and merit, and amendment of the Public Service Law where deemed necessary, and (ii) entry into force of new regulations for implementing a new

	employees' performance									performance appraisal system for public employees, to be used for development and promotion purposes in order to make the performance appraisal procedure and the promotion mechanism more transparent, fair, skill-based and effective
162	C3.4R4 Digitalisation of public procurement	Milestone	E-procurement system	E-procurement system accessible	-	-	-	Q4	2025	The e-procurement system shall be accessible, with the following functionalities: - statistical reporting - publication of open data regarding the public procurement procedures.
163	C3.4R5 Enhancement of the capacity of the Law Office	Milestone	New IT system for the Law Office	Entry into service of the new IT system	-	-	-	Q4	2023	The e- Law system is made operational for the Law Office and used. It includes the following functionalities: - creation of electronic case files and folders, - case management and monitoring, - internal communication and work flows, - tracking of cases, financial management and payments, - digitalisation of paper files. Training of users has been concluded. The paper files of the Law Office are digitalised.
167	C3.4I3 Economic Policy Modelling Hub	Milestone	Setting up a Modelling Hub for Economic Policy Analysis	Entry into service of the Hub	-	-	-	Q4	2023	Operationalisation and equipment of the Hub including appointment of the team of scientific staff. The team shall consist of experts on macroeconometric models, econometricians, data analytics experts and economists.
168	C3.4I3 Economic Policy Modelling Hub	Target	Number of impact assessment models and	-	Number	0	20	Q4	2025	At least 20 macro-econometric economic policy impact assessment models or new data analytics tools shall be tested.

			data analysis tools							
169	C3.4R6 New legal framework for Local Authorities and support measures	Milestone	New legal framework on local authorities	Provision in the law indicating the entry into force of legal act(s)	-		-	Q2	2024	Entry into force of legal act(s) entailing: - Reduction in the number of municipalities Establishment of community clusters - New framework for financing of municipalities
170	C3.4R6 New legal framework for Local Authorities and support measures	Milestone	Trainings	Trainings have taken place				Q4	2024	Trainings have taken place for local authorities.
171	C3.4R7 Urban land consolidation	Milestone	Entry into force of a law on urban land consolidation	Provision in the law indicating the entry into force of the law	-	-		Q2	2024	Entry into force of the law on urban land consolidation.
172	C3.4R7 Urban land consolidation	Target	Number of plans for urban consolidation	-	Number	0	10	Q4	2025	Pilot plans for urban consolidation have been published and approved for utilisation in selected areas.
173	C3.4I4 Enhancing e-system for issuing building permits	Milestone	Enhancement of the e-application environment of the Hippodamos System	Applications being received through the enhanced e-application environment	-	-	-	Q4	2022	Completion of the enhancement of the e-application environment of the existing Hippodamos system to enable the submission of applications for planning and building permits for all planning authorities and building authorities (municipalities) from a common platform.
174	C3.4I4 E-system for issuing building permits	Milestone	Planning and control tool, project management tool, software	Functionalities of the Hippodamos System	-	-	-	Q4	2024	The Hippodamos System shall include new or enhanced functionalities, which may include but are not limited to the following:

			and hardware of Hippodamos							- Electronic signature of documents - Electronic Consultation. Acceptance certificate(s) have been issued for the delivery of hardware consisting of at least two servers as specified in the contract.
176	C3.4I5 Smart cities	Target	Mobile applications and smart sensors/solutions	-	Mobile Applications Number Smart sensors delivered: Number Smart sensors installed: Number	Mobile Applications: 0 Smart sensors delivered: 0 Smart sensors installed:0	Mobile Applications:3 Smart sensors/ solutions delivered: 71 000 Smart sensors/ solutions installed: 50 000	Q2	2026	Three mobile applications (one application for the citizens for parking and waste management, one for parking enforcement officers, and one for waste collectors) shall be accessible. Additionally, 71 000 smart sensors/solutions are delivered to municipalities or the Deputy Ministry of Research Innovation and Digital Policy. 50 000 of these smart sensors or solutions shall be installed and connected to the smart cities' platform.
178	C3.4I6a Regeneration and Revitalisation of Nicosia Inner City	Target	Rooms converted to student dorms	-	Number	0	310	Q2	2026	Taking-over reports issued by the Supervising Engineer or Architect for the private sector incentives scheme / taking-over certificates issued by the Supervising Engineer of the contracting Authority (Nicosia Municipality), certifying that renovation works have been carried out for at least 310 rooms in Nicosia's inner city.
180	C3.4R8 Efficiency of Justice	Milestone	Entry into force of new Rules of Civil Procedure	Provision in new Rules of Civil Procedure (published in the Official Gazette) indicating the entry into force of the Rules of	-	-	-	Q3	2023	Entry into force of the new Rules of Civil Procedure for the new cases submitted to the court as from 1 September 2023. The new Rules of Civil Procedure shall modernise the hearing of cases in order to deliver a less costly, more accessible, and timelier service to parties.

				procedures (1 September 2023)						
181	C3.4R8 Efficiency of Justice	Target	Reducing the backlog of cases and appeals	-	% (Percentage)	0	40	Q2	2024	Reduction of the backlog of cases and appeals pending for over two years before the District Courts and the Supreme Court by 40% from the 31 December 2020 level of 16 740 pending civil cases and 2 139 pending civil and administrative appeals, as verified by an Annual Progress Report of the Action Plan to reduce backlog.
183	C3.4R9 Digital transformation of courts	Milestone	i-justice system	Phase one of the i-justice system is accessible through the court's website	-	-	-	Q2	2026	Phase one of the i-justice shall be accesible through the court's website. It shall introduce functionalities, for example: digital case filing and payment, case categorisation, case searching, document production and management, tracking and monitoring system(s) for cases, managing allocations of cases to hearing, execution and management of judgements, case closing and evidence management.
185	C3.4I7 Training of judges	Milestone	Training of judges	Trainings organised				Q4	2025	Trainings for judges shall be organised on the revised Civil Procedure Rules and other judicial skills.
186	C3.4I8 Upgrading the infrastructure of courts	Milestone	Extension of the Famagusta District Court	Project management team certifies the completion of the construction.	-	-	-	Q4	2021	Completion of construction of the extension to the Famagusta District Court building to support the operation of new courtrooms to try in addition to criminal also civil cases.
187	C3.4R10 Improving the legal and	Milestone	Entry into force of the law	Provision of the law indicating the entry into	-	-	-	Q1	2022	The Independent Authority against Corruption has been established on the basis of the entry into force of

	institutional framework for fighting corruption		establishing the Independent Authority against Corruption	force of the law and start of operation of the Independent Authority against Corruption with key management positions filled and staff recruited.						the corresponding law and is operational. The Authority shall coordinate the efforts of all bodies engaged in the fight against and prevention of corruption and shall supervise the timely implementation of actions by the different competent services.
188	C3.4R10 Improving the legal and institutional framework for fighting corruption	Milestone	Entry into force of the law on Transparency in Decision-Making and Related Matters	Provision of the law indicating the entry into force of the law	-	-	-	Q4	2021	Entry into force of the law on Transparency in Decision-Making and Related Matters, including provisions to prevent conflict of interest. The law shall create the obligation to publicise contacts made between persons interested in being involved in public decision-making procedures and officials or members of the State service or of the wider public sector or with employees for the benefit of officials who, by their very position, have competence or possibility of initiating such procedures or formulating their content or contributing or determining the final outcome of such procedures. Information on such a contact, as well as its content and purposes, shall be officially recorded and be publicly available.
189	C3.4R10 Improving the legal and institutional framework for fighting corruption	Milestone	Entry into force of the law to protect whistle-blowers	Provision of the law indicating the entry into force of the law	-	-	-	Q4	2021	Entry into force of a law to protect whistle-blowers reporting fraud and corruption from internal sanctions. The law shall include supplementary provisions on the protection of persons reporting acts of corruption both in the public and

										the private sectors (whistle-blowers, persons not involved in the acts), further to the protection already provided for in the Protection of Witnesses Law 95(I)/2001. The law shall also provide measures of leniency for those who are involved in acts of corruption but voluntarily report to the police and/or offer cooperation with the authorities resulting in the full investigation and prosecution of the case.

I. COMPONENT 3.5: SAFEGUARDING FISCAL AND FINANCIAL STABILITY

This component of the Cypriot recovery and resilience plan addresses the challenges of fiscal and financial vulnerabilities, including macroeconomic imbalances related thereto. The aim is to safeguard financial stability by reducing legacy risks in the banking sector, putting in place measures against high private indebtedness, and for the supervision in the non-bank sector. To ensure fiscal stability, Cyprus aims at combating tax evasion, tax avoidance and aggressive tax planning; and providing policy makers with comprehensive data in order to design a fair tax system. The envisaged measures are expected to make revenue collection more efficient and Cyprus' tax system fairer, reducing the spill-over effects from aggressive tax planning.

The component supports addressing the Country-Specific Recommendations on financial stability and private indebtedness (Country-Specific Recommendations 2 and 5 of 2019), and on addressing features of the tax system that facilitate aggressive tax planning by individuals and multinationals (Country-Specific Recommendation 4 of 2020 and Country-Specific Recommendation 1 of 2019).

I.1. Description of the reforms and investments for non-repayable financial support

Safeguarding financial stability

Reform 11 (C3.5R11): Legal framework for a National Sanctions Implementation Unit

The objective of this reform is to reinforce oversight in the banking and non-banking financial sectors.

The reform consists of the entry into force of legal act(s) on establishing the legal framework for a National Sanctions Implementation Unit.

Reform 2 (C3.5R2): Framework and Action Plan for addressing non-performing loans

The objective of the measure is to address financial risks related to legacy non-performing loans in the banking sector by continuing efforts to improve the asset quality of banks and strengthening the working environment for servicing of loans.

The reform shall consist in (i) implementing an action plan to address the remaining stock of legacy non-performing loans and (ii) adopting a package of three amending laws regarding credit acquiring companies and servicers (placing of loan servicers under regulation and supervision by the Central Bank; granting access for loan servicers and credit acquiring companies to the Land Registry; and aligning notification requirements in case of purchase of a loan by a credit acquiring company). A progress report on the action plan shall be prepared by 30 June 2023 and approved by the Council of Ministers, tracking the reduction of non-performing loans in the banking sector towards the indicative reference values of 6% gross and 3% net non-performing loans ratio and proposing policy measures where appropriate.

The implementation of the reform shall be completed by 30 June 2023.

Reform 3 (C3.5R3): Strategy for addressing inadequacies of the property transaction system (title deeds)

The objective of the reform is to address inefficiencies in the system of issuing and transferring title deeds, which results in property rights not being defined, complicates foreclosure procedures and hinders the liquidation of collateral.

The reform shall consist in: (i) examination of pending cases for the issuance of title deeds or rejection of the cases, (ii) extension of the new planning and building permit policy, currently up to two residential units, to four residential units in a plot, which shall reduce the time needed to issue building and spatial permits, (iii) review of the Streets and Buildings Law to introduce the right incentives for the supervising engineer to further discourage irregularities that would result in title deeds not being issued, (iv) amendment of the Sale of Property (Specific Performance) Law, which shall ensure in advance that the transfer of immovable property is executed as soon as the buyer fulfils his/her contractual obligations.

The implementation of the reform shall be completed by 31 December 2023.

Reform 4 (C3.5R4): Digital system for the exchange of data and the provision of credit scoring services

The objective of this reform is to fight high private indebtedness.

This measure consists in amending the existing system for the exchange of credit data in order to provide credit scoring services.

Reform 5 (C3.5R5): Framework for Management of Private Debt

The objective of this reform is to prevent and manage the stock of private debt.

The measure consists of (a) an Action Plan on liabilities monitoring (LMR) and (b) the entry into force of legal act(s) for the management of private debt.

Reform 6 (C3.5R6): Reinforcing the insolvency framework

The objective of this reform is to reinforce the insolvency framework, and the functioning of the Department of Insolvency.

This measure consists in (i) adopting the legal and institutional framework for insolvency and (ii) accessible digital systems of the Department of Insolvency.

Reform 7 (C3.5R7): Strategy for Combating Financial Illiteracy

The objective of the measure is to promote financial literacy. It aims at enhancing financial education within the general population, improve financial decision making, correct wrong attitudes and biases, support more informed and financially responsible citizens and ultimately, help improve debt repayment discipline.

The reform shall consist in preparing a strategy for combating financial illiteracy by: (i) identifying the issues of financial illiteracy (ii) reviewing the international literature on the topic, and (iii) providing an action plan for implementation.

The implementation of the reform shall be completed by 31 December 2023.

Reform 8 (C3.5R8): Enhancing supervision of Insurance and Pension Funds

The objective of this reform is to enhance the supervision of the insurance and pension funds.

This measure consists in (i) the employment of additional permanent staff of the supervisory authorities, (ii) preparing and implementing tools and actions in line with the regulatory frameworks.

Investment 1 (C3.5I1): Enhancement of the Supervisory Function of Cyprus Securities and Exchange Commission

The objective of the measure is to enhance the supervisory capacity of Cyprus Securities and Exchange Commission (CySec) through digitalisation – allowing for better supervision of transactions.

The investment shall consist in developing an advanced digital system, based on cloud architecture, covering the supervision needs of European Market Infrastructure Regulation (EMIR)and the Securities Financing Transactions Regulation (SFTR). The new system shall support the following features: (i) connect to the European Securities and Markets Authority (ESMA) hub; load and pre-process transaction data, (ii) aggregate and perform queries on data to generate regulatory insights (iii) generate on-schedule and ad-hoc reports.

The implementation of the investment shall be completed by 31 December 2023.

Safeguarding fiscal stability

Reform 9 (C3.5R9): Digitalising tax collection

The objective of this reform is to make tax collection more efficient.

This measure consists in an IT system as a single point for taxpayer services.

Reform 10 (C3.5R10): Addressing Aggressive Tax Planning

The objective of this reform is to combat tax evasion and aggressive tax planning by Multinational Enterprises.

This measure consists in the entry into force of legal act(s) to address aggressive tax planning.

Investment 2 (C3.5I2): Modernisation of Customs and Electronic Payment System

The objective of this investment is to simplify customs formalities and reduce the administrative cost for stakeholders.

This measure consists in twelve information systems being accessible.

I.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
191a	C3.5R11 Legal framework for a National Sanctions Implementation Unit	Milestone	Legal framework for a National Sanctions Implementation Unit	Entry into force of the legal act(s)				Q4	2025	Entry into force of legal act(s) establishing the legal framework for a National Sanctions Implementation Unit.
192	C3.5R2 Framework and Action Plan for addressing NPLs	Milestone	Entry into force of the package of amending laws regarding credit acquiring companies (CAC) and credit servicers to improve the working environment for non-performing loans management	Provision in the law indicating the entry into force of the respective laws	-	-	-	Q4	2021	Entry into force of the following three laws: (a) The Credit Facilities Purchase and Related Matters (Amending) Law of 2021, which shall put non-performing loan servicers under regulation and supervision by the Central Bank; (b) The Immovable Property (Transfer, Registration and Valuation) (Amending) Law of 2021, which shall give access for non-performing loan servicers and credit acquiring companies to the Land Registry (c) Evidence (Amending) Law 2020, which shall align notification requirements in case of purchase of a loan by a credit acquiring company.
193	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Target	Reduction of backlog of cases for issuance of title deed either by issuing title deeds or by rejecting the case	-	% (Percentage)	0	80	Q2	2023	Reduction of backlog of pending cases for issuance of title deeds either by issuing title deeds (the legal document constituting the evidence of a right to the ownership of a property) or by rejecting the case. Title deeds for 1 050 developments are pending for assesment, corresponding to 20 000 title deeds. Of this total of 20 000 pending title deeds, 80% shall be resolved resulting either to

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
										the issuance of title deeds or to a rejection of the case.
194	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Milestone	Extension of the New Planning and Building Permit Policy	Decree issued by the Minister of Interior	-	-	-	Q4	2022	Extension of the New Planning and Building Permit Policy for up to four residential units in residential plots. The Policy provides the possibility to submit applications electronically and introduces fixed deadlines to grant planning and building permits (ten to twenty days).
195	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Milestone	Entry into force of the amendment of the Sale of Property (Specific Performance) Law	Provision in the law indicating the entry into force of the amended Sale of Property (Specific Performance) Law	-	-	-	Q4	2022	Entry into force of the amended Sale of Property (Specific Performance) Law to safeguard the buyers interests in advance. The amendment shall allow for transfer of Title Deeds, under full safety and legal certainty, while minimizing operational costs and delays through checks at a preliminary stage to identify specific obstacles to the transfer before the payment of the purchase price. The aim is to create a mechanism to safeguard the interests of the buyers of immovable property and ensure in advance that the transfer of immovable property shall be executed as soon as the buyer fulfils his/her contractual obligations.
196	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Milestone	Review of the Streets and Building Law	Provision in the law indicating the entry into force of the amended Streets and Building Law	-	-	-	Q4	2023	Entry into force of the Streets and Building Law which shall introduce the right incentives for the supervising engineer to (i) oversee the project development in accordance with the permit issued, to further discourage irregularities that would result in title deeds not being issued and (ii) submit to the competent authority a certificate

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
										confirming the completion of work in line with the permit issued.
197	C3.5R4 New legal framework and system of exchange of data and credit bureau	Milestone	Entry into force of the framework and system of exchange of data legislation	Provision in the legislation indicating the entry into force of the legislation	-	-	-	Q1	2023	Entry into force of the legislation on the framework and system of exchange of data by ARTEMIS credit bureau, which shall eliminate impediments in the current framework so as to allow it to provide credit scoring services. The main elements of the amendment shall be to broaden the supervisory role of the Central Bank of Cyprus, to maintain a duty to collect data for credit facilities by credit institutions and other creditors, to provide Insolvency Department data, and to define the terms and conditions of access to data and its protection.
198	C3.5R4 Digital system for the exchange of data and the provision of credit scoring services	Milestone	Digital system for the exchange of data and the provision of credit scoring services	Digital system providing credit scoring services	-	-	-	Q4	2024	The digital system for the exchange of data by ARTEMIS credit bureau shall provide credit scoring services.
199	C3.5R5 Action plan for the development of a liability monitoring register	Milestone	Action Plan for the development of a liability monitoring register	Approval of the Action Plan by the Council of Ministers	-	-	-	Q4	2022	The Action Plan shall put forward the necessary steps for introducing the liability monitor register that shall: - utilise an electronic database, collecting data on liabilities from various public and private creditors, such as the credit registry under reform C3.5R4. - enable the design and implementation of targeted policies for preventing and managing private indebtedness.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
200	C3.5R5 Framework for Management of Private Debt	Milestone	Entry into force of legal act(s) for the management of private debt.	Entry into force of the legal act(s)				Q4	2024	Entry into force of legal act(s) for the managment of private debt.
201	C3.5R6 Reinforcing and strengthening the insolvency framework	Milestone	Full implementation and full operation of the legal and institutional framework for insolvency	Appointment of staff confirmed by the Official Gazette. Council of Ministers' approval of the Progress Report	-	-	-	Q4	2022	Full implementation and full operation of the legal and institutional framework on insolvency through: (a) appointment of staff for all levels of the organisational structure of the Department of Insolvency, and delivery of trainings for the personnel, (b) establishment of a communication plan for promoting insolvency proceedings, (c) approval of a customer service line, (d) establishment of a framework for continuous professional development for insolvency Practitioners.
202	C3.5R6 Reinforcing the insolvency framework	Milestone	Digital systems of the Department of Insolvency accessible	Digital system accessible	-	-	-	Q2	2025	The digital systems of the Department of Insolvency shall be accessible.
203	C3.5R7 Strategy for Combating Financial Illiteracy	Milestone	Strategy for Combating Financial Illiteracy	Approval of the Strategy for Combating Financial Illiteracy by the Council of Ministers	-	-	-	Q4	2023	The Strategy for Combating Financial Illiteracy shall outline its goal and objectives, specify the channels for promoting financial literacy, and include specific actions for implementation. The reform shall also include completion of initiatives promoting financial literacy.
204	C3.5R8 Enhancing supervision of Insurance and Pension Funds	Target	Employment of additional permanent employees of the Registrar of	-	Number	0	16	Q2	2026	Employment (placing or seconding or tranferring) of thirteen additional permanent employees for the Registrar of Occupational Retirement Benefit Funds (RORBF) and three additional permanent

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
			Occupational Retirement Benefits Fund (RORBF) and the Insurance Companies Control Service (ICCS)							employees for the Insurance Companies Control Service (ICCS).
205	C3.5R8 Enhancing supervision of Insurance and Pension Funds	Milestone	Supervisory tools including data collection and analysis tool	Support tools for enhancing the supervision of pension funds and insurance companies	-	-	-	Q4	2023	Implementation of tools (for example, procedures, checklists, fitness and propriety applications) in line with new legislation (providing for the establishment, activities and supervision of Institutions for Occupational Retirement Benefits Law of 2020 -L 10(I)/2020 and the legislation of the Insurance and Reinsurance Business and Other Related Issues Law of 2016 (N.38(I)/2016.
206	C3.5I1 Enhancement of the Supervisory Function of the Cyprus Securities and Exchange Commission	Milestone	Digital system for supervision of transactions for the Cyprus Securities and Exchange Commission	Project management committee verifies acceptance of deliverables in due time; and quality and standards as specified in tender documents	-	-	-	Q4	2023	Implementation of a new digital system of supervision of transactions. The new digital system shall have the following features: - Loading and pre-processing of Transaction data. - Aggregations and queries on data to generate regulatory insights. - Generation of on-schedule and ad-hoc reports.
207a	C3.5R9 Improving tax collection and effectiveness of	Milestone	Operation of VAT Services within an Integrated Tax	Project Board Approval of the Project Deliverables for completion,	-	-	-	Q1	2022	The Cyprus Tax Department (CTD) shall put into operation an Integrated Tax Administration System (ITAS) that shall support the tax administration functionalities and processes. The

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	the Tax Department		Administration System (ITAS)	installation, and operation of a new integrated VAT System						functionalities related to the VAT Services shall be completed and operational within this system.
207b	C3.5R9 Improving tax collection and effectiveness of the Tax Department	Milestone	Purchase of the new building for the integrated Nicosia District Office and Large Taxpayers' Office	Completion of the purchase and start of operations				Q3	2023	The new building for the integrated Nicosia District Office and Large Taxpayers' Office has been purchased.
208	C3.5R9 Digitalising tax collection	Milestone	Direct tax administration services of the Tax department within the ITAS	Direct taxes services included in ITAS	-	-	-	Q1	2026	The Tax administration services for the following Direct Taxes are included in the ITAS: - Income Tax withheld at source by employers, - Income Tax for individuals, - Income Tax for Non-Individuals, - Special Contribution for Defence
209	C3.5R10 Addressing Aggressive Tax Planning	Milestone	Entry into force of the law to tackle aggressive tax planning	Provision in the law indicating the entry into force of the law	-	-	-	Q4	2022	Entry into force of a law to tackle aggressive tax planning by (a) imposing a withholding tax on interest, dividends and royalty payments to jurisdictions included in Annex I of the Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes and (b) introduction of a further corporate tax residency test based on the incorporation of each entity.
210	C3.5R10 Addressing	Milestone	Entry into force of legal act(s) to tackle	Entry into force of legal act(s)	-	-	-	Q4	2024	Entry into force of legal act(s) to introduce withholding tax on dividend payments to low tax jurisdictions and

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	Aggressive Tax Planning		aggressive tax planning							applying non-deductibility on interest and royalty payments to low tax jurisdictions.
211	C3.5R10 Addressing Aggressive Tax Planning	Milestone	Entry into force of legal act(s) addressing aggressive tax planning	Entry into force of legal act(s)	-	-	-	Q2	2026	A study shall assess the tax framework with respect to measures related to aggressive tax planning. Additional legal act(s) addressing aggressive tax planning based on the findings of this study shall enter into force.
212	C3.5I2 Modernisation of Customs and Electronic Payment System	Target	Putting into operation the information systems– envisaged under the Union Customs Code (UCC)	-	Number	0	2	Q4	2023	At least two of the following import-related information systems have been completed, installed, and put into operation: 1. Automated Export System 2. New Computerised Transit System 3. EU Single Window 4. Union Customs Code 5. Guarantee Management 6. Union Customs Code 7. SURVEILLANCE 3 8. Union Customs Code - Import Control System 2 9. Import Applications under the Union Customs Code 10. Customs Union Performance – Management Information System 11. Union Customs Code Proof of Union Status 12. Uniform User Management and Digital Signature
213	C3.5I2 Modernisation of Customs and Electronic Payment System	Target	Information systems	-	Number	2	12	Q4	2025	Acceptance Certificates shall be issued on the following information systems: 1. New Computerised Transit System 2. EU Single Window 3. Automated Import System (AIS)

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
										4. Guarantee Management 5. Union Customs Code – Special Procedures for Import and Export 6. SURVEILLANCE 3 7. Centralized Clearance for Import Applications under the Union Customs Code 8. Customs Union Performance – Management Information System 9. Union Customs Code Proof of Union Status The Uniform User Management and Digital Signature system shall be accessible.

J. COMPONENT 4.1: Upgrade infrastructure for connectivity

This component of the Cypriot recovery and resilience plan contributes to addressing infrastructure challenges in the area of data connectivity, in particular in rural areas, with a view to narrowing the rural-urban divide, as well as differences along gender, age, income and education.

The objective of the component is to enhance access to communication infrastructure for all citizens, thus bridging the digital divide and supporting an inclusive digital transformation.

The component addresses the country-specific recommendation on investment in the digital transition and the digitalisation (Country-Specific Recommendation 4 of 2019 and Country-Specific Recommendation 3 of 2020).

No measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

J.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C4.1R1): Empower the National Regulatory Authority (OCECPR)

The objective of this reform is to facilitate broadband connectivity in Cyprus.

This measure consists in enabling the Office of the Commissioner of Electronic Communications and Postal Regulation (OCECPR) to collect and publish geographical data on electronic communication networks.

Reform 2 (C4.1R2): Simplification of the administrative procedures for the deployment of VHCN

The objective of this reform is to facilitate the build-up of Very High Capacity Networks (VHCN) infrastructure.

The reform consists in the entry into force of administrative acts for the deployment of very high capacity networks.

Investment 1 (C4.1I1): Expansion of Very High-Capacity Networks in underserved areas

The objective of this investment is to expand VHCN, addressing territorial disparities of broadband availability.

This measure consists in supporting investment in VHCN in areas of no interest to private investors.

Investment 2 (C4.1I2): Upgrade internet connection to be “Gigabit-ready” and support connectivity take-up

The objective of this investment is to encourage the widespread take-up of VHCN.

This measure consists in vouchers for higher capacity internet connections.

J.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
214	C4.1R1 Empower the National Regulatory Authority (OCECPR)	Milestone	Launch of the geographical survey and entry into force of secondary legislation	Entry into force of the secondary legislation and launch of the survey	-	-	-	Q1	2022	The secondary legislation shall enter into force and cover the main aspects related to the survey such as the type, the degree of analysis and the form of the required information, as well as the persons from whom the required information is requested. Launch of the geographical survey of the reach of electronic networks capable of delivering broadband networks and physical infrastructures based on Article 22 of the European Electronic Communications Code.
215	C4.1R1 Empower the National Regulatory Authority (OCECPR)	Milestone	Web portal on broadband and infrastructure mapping	The web portal is accessible	-	-	-	Q4	2024	The web portal on broadband and infrastructure mapping is accessible.
216	C4.1R2 Simplification of the administrative procedures for the deployment of VHCN	Milestone	Entry into force of the administrative acts for very high capacity networks' deployment	Provision in the administrative acts indicating the entry into force of the respective acts	-	-	-	Q2	2024	Entry into force of administrative acts for the reduction of administrative barriers for the deployment of very high capacity networks, which may include, but not be limited to, acts facilitating permit granting procedures or access to physical infrastructure.
217	C4.1I1 Expansion of Very High Capacity Networks in underserved areas	Milestone	Start of very high capacity networks' deployment in underserved areas	Signed contracts with contractors to deploy very high capacity networks in areas of no	-	-	-	Q4	2023	Contracts have been signed with contractors, which shall have been selected through an open tender procedure, to deploy very high capacity networks (in particular, fixed or mobile (5G) networks offering a download speed of at least 100Mbps, which shall be readily upgradable to

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
				interest to private very high capacity network investors						Gigabit for fixed access) in areas of no interest to private very high capacity network investors.
219	C4.1I1 Expansion of Very High Capacity Networks in underserved areas	Milestone	Very high capacity networks are accessible in areas of no interest to private investors	Three acceptance certificates (one per lot) issued by the contracting authority		0		Q4	2025	At least three areas (lots) as defined in contracts under milestone 217 are covered by very high capacity networks.
220	C4.1I2 Upgrade internet connection to be “Gigabit-ready” and promote connectivity take-up	Target	Expansion of Gigabit-ready internet connection take-up by households	-	Number	0	24 300	Q2	2023	Internet connection has been upgraded to be able to support provision of Gigabit connectivity in at least 24 300 homes.
221	C4.1I2 Upgrade internet connection to be “Gigabit-ready” and support connectivity take-up	Target	Gigabit-ready internet connection take-up by at least 82 000 households	-	Number	24 300	82 000	Q2	2025	Internet connection has been upgraded to be able to support provision of gigabit connectivity in at least 82 000 households.

K. COMPONENT 4.2: PROMOTE E-GOVERNMENT

This component of the Cypriot recovery and resilience plan contributes to accelerating the digital transformation of Cyprus through the digitalisation of government services enhancing the efficiency and the provision of online, secure, and prompt services to citizens, in a user friendly, efficient, and effective way. This is expected to facilitate the interaction between citizens and the public services, without the need for physical presence.

The objective of the component is to build a secured, integrated, and modern digital architecture to achieve the transformation to a digital government.

The component addresses the country-specific recommendation on investment in the digital transition and the digitalisation (Country-Specific Recommendation 4 of 2019 and Country-Specific Recommendation 3 of 2020).

K.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C4.2R1): Digital Services Factory (DSF)

The objective of this reform is to facilitate the interaction with public services.

This measure consist in designing a Service Delivery Model for the provision of digital services to the public.

Reform 2 (C4.2R2): New cloud policy with regard to government IT systems and services and infrastructure set-up

The objective of this measure is to elaborate the cloud policy of the government.

This measure consists in two data centres providing hosting services to government IT systems, and the adoption of a national cloud policy.

Reform 3 (C4.2R3): Police procedures digitalisation (Digipol)

The objective of this reform is to digitalised procedures for the Cyprus Police.

This measure consists in a platform (Digipol) of demands for police procedures and services.

Reform 4 (C4.2R4): Setting up the beneficial ownership registry

The objective of the measure is to set up the register for the submission of the data of beneficial owners of all corporate and other legal entities. Such registration aims to improve corporate trust and transparency in Cyprus and shall make it clear who ultimately owns and controls companies and other legal entities.

The reform shall consist in setting up the register. Currently, an online platform has been developed as an interim solution but its functionalities are limited. The reform shall result in a solution with the necessary functionalities to support the maintenance of the register and management of relevant information (for example by sending out notifications for updating, enforcement of late filing fees, search facilities with prescribed levels of access). This aims to support the registration of the data of beneficial owners of all corporate and other legal entities and achieve interconnection with the beneficial ownership registers of other Member States.

The implementation of the reform shall be completed by 31 December 2023.

Investment 1 (C4.2I1): Digitalisation of central government ministries/services

The objective of this investment is to digitalise workflows in a number of ministries and central government services.

This measure consist in digitalisation projects in five ministries or services of the government.

Investment 2 (C4.2I2): Digitalisation of the Cyprus Ports Authority

The objective of this investment is to support digital infrastructure and processes of the Cyprus Ports Authority (CPA).

The measure consist in investing in information technology equipment and systems for CPA.

K.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
224	C4.2R1 Digital Services Factory	Milestone	Definition of the Service Delivery Model for the Digital Services Factory	Appointment decision of the Deputy Minister of Research, Innovation and Digital Policy establishing the team; publication of the standards on the website of the Deputy Ministry	-	-	-	Q4	2022	The Service Delivery Model for the Digital Services Factory has been defined so as to enable the efficient provision of high-quality and user-friendly digital services to the public. This shall include: (a) the establishment of the core Digital Services Factory team (including the procurement of services of experts from the private sector), and (b) definition of the standards and procedures for the development of digital services.
225	C4.2R1 Digital Services Factory	Target	Expansion of delivery of government services online through the Digital Services Factory	-	Number	0	20	Q4	2023	Digitalisation and delivery online of at least 20 services to the public through the Digital Services Factory, using the defined Service Delivery Model (under milestone with a sequential number 224) and agile methodologies.
226	C4.2R1 Digital Services Factory	Target	At least 70 services through the Digital Services Factory	-	Number	20	70	Q2	2026	At least 70 services are accessible online.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
227	C4.2R2 New cloud policy with regard to government IT systems and services and infrastructure set-up	Target	Two data centres with hosting services	-	Number	0	2	Q4	2024	Two data centres with hosting services for government IT systems.
228	C4.2R2 New cloud policy with regard to government IT systems and services and infrastructure set-up	Milestone	Adoption of a national cloud policy by the Council of Ministers	National cloud policy adopted by the Council of Ministers				Q4	2025	A National Cloud Policy on the use of cloud computing technologies in the public sector is adopted by the Council of Ministers.
229	C4.2R3 Police Procedures digitalisation Digipol	Milestone	Digipol prototype operational	Declaration by Cyprus Police confirming that the prototype platform (Digipol) is operational	-	-	-	Q2	2023	The prototype platform (Digipol) is operational. Police officers shall be the users and have access to the prototype Digipol for familiarity and training purposes.
230	C4.2R3 Police Procedures digitalisation (Digipol)	Milestone	Digipol accessible	-				Q3	2025	Digipol shall be accessible. Training and dissemination activities have been conducted.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
231	C4.2R4 Setting up the beneficial ownership registry	Milestone	Beneficial ownership registry available for use	Beneficial ownership registry publicly available online at national and European Level	-	-	-	Q4	2023	The beneficial ownership registry shall be deployed and become available for use at national level and European level, enabling users to check the ultimate beneficial ownership information of legal entities and to achieve interconnection of the beneficiary ownership registers with other Member States.
232	C4.2I1 Digitalisation in various Central Government Ministries - Services	Milestone	Repository system for audit and control: information for monitoring implementation of RRF	An audit report confirming repository system functionalities	-	-	-	Q1	2022	A repository system for monitoring the implementation of the RRF shall be in place and operational. The system shall include, as a minimum, the following functionalities: (1) collection of data and monitoring of the achievement of milestones and targets; (2) collect, store, and ensure access to the data required by Article 22(2)(d) (i) to (iii) of Regulation (EU) 2021/241.
233	C4.2I1 Digitalisation in various Central Government Ministries - Services	Target	Start of the digital upgrade of a number of central government ministries and departments	-	Number	0	4	Q1	2022	The contracts with providers selected through public procurement procedures have been signed to digitalise/digitally upgrade at least four of the following central government ministries/departments: 1. Road Transport Department of the Ministry of Transport, Communication and Works, 2. Deputy Ministry of Shipping. 3. Ministry of Foreign Affairs 4. Directorate General Growth 5. Department of Town Planning and Housing of the Ministry of Interior (for Architectural Heritage).

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
235	C4.2I1 Digitalisation of Central Government Ministries/ Services	Target	Delivery of digital systems of five central government ministries and departments	-	Number	0	5	Q4	2025	Implementation Completion Report or Acceptance Certificates have been issued for digital systems for the five government ministries/departments from the list in target with sequential number 233. For the Department of Road Transport, the system will include the digitalisation of workflows that may include, but it is not limited to, Vehicle registration, Road tax license renewal and vehicle inspection. For the Deputy Ministry of Shipping, it may include, but it is not limited to, Issuance or Renewal of Endorsements and Seamen's Books, Ship registration, and the Electronic Tonnage Tax System.
236	C4.2I2 Digitalisation of the Cyprus Ports Authority	Target	Start of the digital upgrade of the Cyprus Ports Authority	-	Number	0	4	Q2	2023	The contracts with providers selected through a public procurement procedure have been signed to develop/upgrade at least four of the following seven systems for the Cyprus Ports Authority: 1. Upgrade of the Port Community System; 2. Installation of VTS Station; 3. Digitisation of CPA archives; 4. Upgrade of IT infrastructure (such as network, switches); 5. Update IS systems; 6. Installation of an HR Management System; 7. Upgrade CPA Servers; and contracts have been signed to develop the following e-service: • monitoring and safety of navigation to and from the ports of Larnaca and Vasiliko.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Timeline for completion (indicate the quarter and the year)		Description and clear definition of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
237	C4.2I2 Digitalisation of the Cyprus Ports Authority	Target	IT infrastructure of Cyprus Ports Authority	-	Number	0	4	Q2	2024	The following infrastructure and systems are delivered: 1. VTS Station; 2. IT infrastructure (structured cabling and ethernet switches); 3.Solutions or services for the security of information systems (IS); 4. CPA servers.
238	C4.2I2 Digitalisation of the Cyprus Ports Authority	Target	IT infrastructure of Cyprus Ports Authority	-	Number	4	7	Q4	2025	The following infrastructure, systems and services are delivered: 1. Upgrade of the Port Community System, which may include but it is not limited to administrative procedures related to the movement of ships; 2. Digitisation of CPA archives; 3. HR Management System; 4. Radar and other equipment to monitor and control of vessel traffic in the ports of Larnaca and Vasiliko

L. COMPONENT 5.1: EDUCATIONAL SYSTEM MODERNISATION, UPSKILLING AND RETRAINING

This component of the Cypriot Recovery and Resilience plan addresses the challenges of low participation in vocational education and training (VET) and lifelong learning, rising skills mismatches (particularly among young graduates) and poor digital skills. It further addresses the quality of teaching and the availability and affordability of early childhood education and care (ECEC) for children aged four years old. Its objective is to (i) improve the quality and effectiveness of education and training at all levels, (ii) foster the uptake of labour market-relevant reskilling and upskilling opportunities, in particular regarding the twin transitions, across society regardless of employment status, skills level or age, and (iii) modernise the school structures making them fit for the digital transition.

The reforms and investments included in the component address the country-specific recommendations on education and skills (country-specific recommendation 2 2020 and country-specific recommendation 3 2019), early childhood education and care (country-specific recommendation 3 2019) as well as on digital skills (country-specific recommendation 4 2019 and country-specific recommendation 3 2020).

L.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C5.1R1): Addressing skills mismatch between education and labour market (Secondary and Higher Education)

The objective of this reform is to address the skills mismatch between the labour market and the secondary and higher education system.

This measure consists in actions included in the National Action Plan.

Reform 2 (C5.1R2): A new teacher and school evaluation system

The objective of this reform is to enhance the quality of education and consequently students' educational outcomes.

This measure consists in the introduction of a new teacher and school evaluation system for primary, secondary general and vocational education.

Reform 3 (C5.1R3): Gradual extension of free compulsory pre-primary education from the age of four

The objective of this reform is to enhance the availability and affordability of early childhood education and care (ECEC).

This measure consists in the extension of free compulsory pre-primary education from the age of four.

Reform 4 (C5.1R4): Digital transformation of school units with the aim of supporting digital skills and skills related to STEM education

The objective of this reform is to support the digital transition of the education system.

This measure consists in the supply of digital equipment to schools and students.

Reform 5 (C5.1R5): E-skills Action Plan – Delivery of specific actions

This objective of this reform is to enhance digital competences across population groups.

This measure consists in actions included in E-skills action plan.

Investment 1(C5.1I1): Construction of one Model Technical School

The objective of this investment is to extend the capacity of vocational education and training (VET) in Cyprus.

This measure consists in the signature of the contract for the construction of one new technical school in Limassol

Investment 2 (C5.1I2): Skilling, Reskilling and Upskilling

The objective of this investment is to support the skills of the population.

This measure consists in training participants in programmes for digital, green, blue, and entrepreneurial skills.

L.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
239a	C5.1R1 Addressing skills mismatch between education and labour market (Secondary and Higher Education)	Milestone	Measures included in the National Action Plan	Publication of report and approval of the curricula and programmes by competent authorities	-	-	-	Q4	2024	The milestone consists in the following: (a) the preliminary results of a "Graduate Tracking of Cyprus Higher Education" survey and a published report on the survey. (b) 40 educational curricula in secondary schools are amended to support the following skills that may include but it is not limited to soft, hard, entrepreneurial skills (c) two new programmes of study in secondary general, and vocational education and training,
239b	C5.1R1 Addressing skills mismatch between education and labour market (Secondary and Higher Education)	Target	In-job shadowing programme		Nummer	0	2 250	Q2	2026	In-job shadowing programme for at least 2 250 secondary general education pupils.
239c	C5.1R1 Addressing skills mismatch	Target	Laboratories equipped and updated	-	Number	0	170	Q2	2026	Completion acceptance certificate(s) for the supply of

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	between education and labour market (Secondary and Higher Education)									equipment to 170 laboratories for Secondary Education.
241	C5.1R2 A new teacher and school evaluation system	Milestone	Council of Ministers Decision for a new School Evaluation system and entry into force of the legal act(s) for a new Teacher and School Evaluation system	Entry into force of the legal act(s)	-	-	-	Q2	2025	Council of Ministers Decision for a new School Evaluation system and entry into force of legal act(s) for a new Teacher and School Evaluation system.
243	C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four	Milestone	Entry into force of the new Law regarding the gradual extension of free compulsory pre-primary education from the age of four years and adoption of aid schemes by the Council of Ministers	Provision in the law(s) indicating the entry into force of the law(s)	-	-	-	Q4	2023	Entry into force of the Law which shall gradually (starting in the academic year 2024-2025 until academic year 2032-2033) reduce the entry age in free compulsory pre-primary education from the age of four years and eight months to four years. Adoption by the Council of Ministers of aid schemes to (a) cover tuition fees for the free compulsory pre-primary education in communal kindergartens, for children that cannot be enrolled in public kindergartens, and (b) subsidise tuition fees in private and communal kindergartens and nurseries, for the enrolment of

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
										children aged under the entry level of compulsory pre-primary education and above the age of four.
244	C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four	Target	Children aged between 4 years and 4 years and 8 months enrolled in public, communal and private kindergartens	-	Number	0	4 800	Q2	2026	At least 4 800 children aged between 4 years and 4 years and 8 months are enrolled in public, communal and private kindergartens, and nurseries.
245	C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four	Target	New places in new or extended public kindergartens	-	Number	0	675 new places in public kindergartens	Q2	2026	At least 675 new places in public kindergartens
246a	C5.1R4 Digital transformation of school units with the aim of supporting digital skills and skills related to STEM education	Target	Classrooms digitally equipped	-	Number	0	700	Q2	2024	Classrooms in at least 700 schools have been digitally equipped with, for example, laptops, projectors, microphones, speakers, digital graphic boards, cameras, and TVs.
246b	C5.1R4 Digital transformation of school units with the aim of supporting digital skills and skills related to	Target	Support scheme for the digital equipment for pupils	-	Number	0	15 000	Q2	2026	Supply or partial/full reimbursement of the purchase of digital equipment to 15 000 pupils.

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	STEM education									
248	C5.1R4 Digital transformation of school units with the aim of supporting digital skills and skills related to STEM education	Milestone	In-Service Training & Professional Development for Teachers	-Trainings organised				Q2	2026	In-Service Training & Professional Development on Digital Competences for primary and secondary teachers has been organised.
249	C5.1R5 E-skills Action Plan – Implementation of specific actions	Milestone	National e-Skills Action Plan is adopted by the Council of Ministers	National e-Skills Action Plan is adopted by the Council of Ministers				Q4	2021	National e-Skills Action Plan is adopted by the Council of Ministers, which shall include at least: • development of an e-learning platform, containing a self-assessment tool for digital fitness, index of all available skilling programmes, and content material on digital skills and cross-sectoral competences. • design and delivery of programmes and interventions for professionals within the public sector in areas such as Project management, Microsoft tools, cybersecurity, social media, e-collaboration and productivity tools; • investment in digital infrastructure.
250	C5.1R5 E-skills Action Plan – Delivery	Milestone	Delivery of measures from the	Programmes organised, approval of a	-	-	-	Q4	2025	- targeted programmes organised for professionals within the public sector for

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
	of specific actions		e-Skills Action Plan	communication strategy						digital skills and cross-sectoral competencies (for example project management). - investments in digital equipment (for example laptops, computers). - approval of a communication strategy
251	C5.1I1 Construction of one Model Technical School	Milestone	Contract for the construction of one Technical School	Contract Signature and initiation of construction	-	-	-	Q4	2022	Signing of a contract with the contractor selected under a competitive call for proposals for the construction of one Technical School in Limassol and issue of construction initiation order by the project Engineer.
254	C5.1I2 Skilling, Reskilling and Upskilling	Target	Trainings in programmes for digital, green, blue and entrepreneurial skills	-	Number	0	25 600	Q4	2025	25 600 participants trained in programmes for digital, green, blue, and entrepreneurial skills.

M. COMPONENT 5.2: LABOUR MARKET, SOCIAL PROTECTION AND INCLUSION

This component of the Cypriot Recovery and Resilience plan addresses: (i) inefficiencies and gaps in social protection notably for self-employed and people working in non-standard forms of employment, (ii) the lack of legislation for flexible working arrangements in the form of teleworking, (ii) challenges related to unemployment and youth unemployment and the high level of young people not in employment, education or training (NEETs), (iii) gaps in early childhood education and care (ECEC) and (iv) challenges with respect to social inclusion and welfare, including a high level of people at risk of poverty or social exclusion (AROPE) and increasing needs in long-term care.

The reforms and investments included in the component address the country-specific recommendations on the public employment services and the education and training system (country specific recommendation 3 of 2019 and country specific recommendation 2 of 2020), providing social protection for all and introducing flexible working arrangements (country specific recommendation 2 of 2020), and improving the efficiency and digitalisation of the public sector (country specific recommendation 1 of 2019 and country specific recommendation 4 of 2020).

M.1. Description of the reforms and investments for non-repayable financial support

Reform 2 (C5.2R2): Flexible work arrangements in the form of telework

The objective of this reform is to support flexible work arrangements in the form of telework.

This measure consists in the entry into force of a new legal act(s) for flexible work arrangements and a subsidy scheme for employers to hire unemployed persons who will telework at least 30% of their working time.

Investment 1 (C5.2I1): Supporting the Department of Labour and Public Employment Services (PES) and reinforcing support for young people

The objective of this investment is enhancing support for unemployed persons.

This measure consists in digitilasing the Department of Labour and Public Employment Services (PES) and a grant scheme.

Investment 2 (C5.2I2): Establishment of Multifunctional Centres and Childcare Centres

The objective of this investment is to increase the labour market participation of carers (often women), and to enhance the availability of quality care and social infrastructure for children.

This measure consists in a scheme for multifunctional centres and childcare centres.

Investment 3 (C5.2I3): Establishment of home structures people in need of long-term care

The objective of this investment is to address gaps in long-term care services.

This measure consists in home structures for people in need of long-term care.

Investment 4 (C5.2I4): Child centres in municipalities

The objective of this investment is to facilitate the participation of workers with caring responsibilities, in the labour market, and to enhance the social inclusion of children from disadvantaged and/or migrant background.

This measure consists in the construction of four (4) childcare centres.

Investment 5 (C5.2I5): Construction of two model special education schools

The objective of this investment is to enhance the school environment for pupils with disabilities or other special educational needs and support them academically and socially.

This measure consists in the construction of two special education schools in the Limassol district.

Reform 1 (C5.2R1): Reform of the Social Insurance System and Restructuring of the Social Insurance Services

The objective of this reform is to widen access to social protection and to support the Social Insurance Services.

This measure consists in the extension of social insurance coverage as well as adding services to the Integrated Social Insurance Information System.

M.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
255	C5.2R2 Flexible Work Arrangements in the Form of Telework	Milestone	Entry into force of the law for flexible work arrangements in the form of telework	Provision in the law indicating the entry into force of the law for the flexible work arrangements in the form of telework	-	-	-	Q2	2023	Entry into force of a new law which shall regulate flexible work arrangements in the form of telework. The law shall include a definition of telework, description of the economic activities where telework is applicable, the conditions for taking up telework and the rights and obligations of employers and employees.
256	C5.2R2 Flexible Work Arrangements in the Form of Telework	Target	Grants disbursed to employers for employing at least 300 persons	-	Number	0	300	Q3	2025	Grants disbursed to employers to employ at least 300 previously unemployed persons (including at least 140 women out of the 300 persons) after at least 6 months of employment in telework.
258	C5.2I1 Supporting the Department of Labour and Public Employment Services and reinforcing support for young people	Target	Platform and systems accessible	-	Number	0	3	Q4	2024	Platform and systems accessible for: (1) hiring schemes of the Department of Labour, (2) Performance Management System for the Public Employment Services and (3) an early warning and tracking system for young people (aged 15-29) not in education, employment, or training (NEETs) for the Public Employment Services,
259	C5.2I1 Supporting the Department of Labour and Public	Target	Grants disbursed to employers for hiring at least 450 young people not in employment or	-	Number	0	450	Q4	2025	Grants disbursed for hiring at least 450 young people (aged 15-29) not in employment, education, or training (NEETs), for at least 6-month period

	Employment Services and reinforcing support for young people		in education or training (NEETs)							
261	C5.2I2 Establishment of multifunctional centres and childcare centres	Milestone	Adoption of a national strategy on early childhood education and care (ECEC) and action plan	Adoption of a national strategy on ECEC and anaction plan	-	-	-	Q4	2024	A national strategy and an action plan on enhancing early childhood education and care (ECEC) have been adopted by the Council of Ministers.
263	C5.2I2 Establishment of multifunctional centres and childcare centres	Target	Grant disbursed to at least 9 local authorities/ Non-Governmental Organisations for Multifunctional Centres or Child Centres	-	Number	0	9	Q2	2026	Grant disbursed to at least 9 local authorities/ Non-Governmental Organisations for Multifunctional Centres or Child Centres.
264	C5.2I3 Establishment of Home structures for people in need of long-term care (LTC)	Target	Home structures for people in need of long-term care	-	Number	0	4	Q2	2026	Completion certificate of at least 4 home structures for people in need of long-term care.
266	C5.2I4 Child Centres in Municipalities	Target	Construction of at least one child centre	-	Number	0	1	Q4	2022	Completion of construction and issue of taking-over certificate of at least one child centre in one of the following municipalities: Ayios Athanasios, Ayia Napa, Paralimni and Yermasoyia.
267	C5.2I4 Child Centres in Municipalities	Target	Construction of at least four child centres	-	Number	1	4	Q4	2024	Issuing of taking-over certificates of four child centres (two child centres in Amathounta, one in Ayia Napa and one in Paralimni -Deryneia).
268	C5.2I5 Construction of Two Model Special Education Schools	Milestone	Signing of contract with the selected tenderer (contractor)	The contract shall be signed with the selected tenderer (contractor)	-	-	-	Q4	2022	Signing of contract with the selected tenderer(s) (contractor (s)) selected under a competitive call for proposals for the construction of two model schools in Limassol - the Special Education School of Apostolos Loucas and the Red Cross Recovery Special Needs School.

269	C5.2I5 Construction of Two Model Special Education Schools	Milestone	Construction of two Special Needs School	Taking-over certificates	-	-	-	Q4	2025	Taking-over certificates of two Special Needs Schools in Limassol.
270	C5.2R1 Reform of the Social Insurance System and Restructuring of the Social Insurance Services	Milestone	Entry into force of legal act(s)	Provision in the amending law indicating the entry into force of the revisions to the Social Insurance Law				Q4	2024	Entry into force of the revised Social Insurance Law, which shall incorporate the extension of the social insurance coverage to self-employed, including non-standard forms of employment, for example platform work.
271	C5.2R1 Reform of the Social Insurance System and Restructuring of the Social Insurance Services	Milestone	Integrated Social Insurance Information System	Deliverables including a study, strategy, trainings, system generated reports	-	-	-	Q2	2026	Integrated Social Insurance Information System including: - a study on the current IT system, identifying the existing gaps, - reengineered business processes of the Social Insurance Services (SIS), - interconnections with other systems - digital services for the upgraded SIS IT System - Business Intelligence (BI) for Data Insights, Fraud Prevention/Detection (MIS System) - organisational strategy and trainings.

N. COMPONENT 6.1: REPOWEREU

The REPowerEU chapter addresses the challenge of reducing reliance on fossil fuels. The objectives of the component are to strongly reduce Cyprus' dependence from imported fossil fuels in general. The new RePowerEU chapter contributes to the achievement of Cyprus's energy efficiency obligations and targets set for 2030, under the National Energy and Climate Plan. In order to limit its energy dependence, Cyprus shall further invest in energy efficiency improvements in buildings and road transport and accelerate the deployment of renewables.

The measures included in the REPowerEU chapter address most aspects of recent country-specific recommendations in the field of energy, as they shall foster research and innovation in the field of green transition and energy production, storage, transmission and distribution solutions, promote renewables and accelerate energy efficiency measures in various buildings in the public and private sector, enhance the regulatory framework for the operation of Energy Communities, and promote widespread use of Electric Vehicles.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the 'Do no significant harm' Technical Guidance (2021/C58/01).

The implementation of the measures is expected to contribute to reducing dependency on fossil fuels. Increasing the share of renewable energy sources has a cross-border and multi-country dimension because it contributes to securing the energy supply in the Union as a whole.

N.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C6.1R1) Regulating and facilitating the participation of citizens in the electricity market

The objective of this reform is the participation of citizens in the national energy market.

This measure consists in creating a contact point for citizens to participate in the electricity market.

Reform 2 (C6.1R2) Introduction of regulatory framework for the connection of EV recharging points to the distribution network

The objective of this reform is to provide the regulatory framework for the procurement of flexibility services by the DSO as well as the connection of EV Charging Points to the Distribution Network.

This measure consists in the entry into force of regulatory decision(s) for EV charging points.

Investment 1 (C6.1I1). Scaled-up measure: Renewables and individual energy efficiency measures in dwellings

The objective of this investment is to scale up Investment C2.1I2: Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty, including in households with vulnerable electricity consumers under Component 2.1.

The scaled-up part of this measure consists in increasing the number of dwellings that invested in their energy performance.

Investment 3 (C6.1I3) Promoting extensive energy renovations of dwellings

The objective of this investment is to reduce energy consumption and CO2 emissions in dwellings.

This measure consists in energy renovations in at least 800 dwellings.

Investment 5 (C6.1I5). Scaled-up measure: Scheme for the competitiveness and the energy efficiency of large enterprises in Cyprus

The objective of this investment is to scale up Investment C3.1I7: Scheme for the competitiveness and/or the energy efficiency of large enterprises in Cyprus, under Component 3.1.

This measure consists in providing support to large enterprises undertaking energy efficiency investments.

Investment 6 (C6.1I6). Scaled-up measure: Thematic research and innovation funding program on green transition

The objective of this investment is to scale up Investment C3.2I3: R&I funding program on green transition, under Component 3.2.

The scaled-up part of this measure consists in projects on green transition R&I activities.

Investment 7 (C6.1I7). Thematic research in enterprises for energy production, storage, transmission, and distribution solutions

The objective of this investment is to find solutions to bottlenecks identified in energy production, storage, transmission, and distribution.

This measure consists in projects on energy production, storage, transmission and distribution solutions R&I activities.

N.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
272	C6.1R1 Regulating and facilitating the participation of citizens in the electricity market	Milestone	Single contact point for the participation of citizens in the electricity market	Publication of Council of Ministers' Decision in the official gazette	-	-	-	Q4	2025	Publication in the official gazette of decision on the participation of renewable and citizens communities, active customers, and renewable self-consumers in the electricity market.
273	C6.1R2 Establishment of the regulatory framework for the connection of EV charging points	Milestone	Entry into force of Regulatory Decision/s on the connection of EV charging points	Publication of Regulatory Decision/s in the official gazette	-	-	-	Q4	2025	Entry into force of regulatory decision issued by CERA for the connection of Electric Vehicle Charging Points to the Distribution Network. Publication of the regulatory decision on procurement of flexibility services by the DSO.
29b	C6.1I1 Scaled-up measure: renewables and individual energy efficiency measures in dwellings	Target	Energy efficiency measures in dwellings and tackling energy poverty	-	Number	18 450	45 550	Q2	2026	Reducing primary energy demand on average by at least 30% for 45 550 dwellings, including 6 100 vulnerable electricity consumers households.

274	C6.1I3 Promoting extensive energy renovations of dwellings	Milestone	Support scheme for energy upgrading of dwellings	Publication of call for proposals for the support scheme	-	-	-	Q1	2024	Publication of the call for proposals for the support scheme for promoting extensive energy upgrading of dwellings, following Council of Ministers decision approving the scheme objectives, with the aim to achieve at least a 30% primary energy demand reduction.
275	C6.1I3 Promoting energy renovations of dwellings	Target	Improving energy performance of dwellings	-	Number	0	800	Q2	2026	Energy Performance certificates for 800 energy renovated dwellings, with the objective to achieve at least a 30% primary energy demand reduction on average, have been issued.
102b	C6.1I5 Scaled-up measure: Scheme for the competitiveness and the energy efficiency of large enterprises in Cyprus	Target	Signature of grants with 12 enterprises	-	Number	0	12	Q2	2026	Signature of grant agreements with at least 12 enterprises. The projects shall be selected in a call that requires compliance with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list excluding notably activities related to fossil fuels, including downstream use.

131b	C6.1I6 Scaled-up measure: Thematic research and innovation funding program on green transition	Target	Projects on green transition R&I activities	-		10	20	Q2	2026	Reports issued by the RIF for at least 20 projects on green transition R&I activities.
277	C6.1I7 Thematic research in enterprises for energy production, storage, transmission, and distribution solutions	Target	Projects on energy production, storage, transmission, and distribution solutions R&I activities	-	Number	0	20	Q2	2026	Reports issued by the RIF for at least 20 projects on energy production, storage, transmission, and distribution solutions R&I activities. The respective calls shall comply with the 'Do Not Significant Harm' Technical Guidance (2021/C58/01) through the use of an exclusion list.

O. COMPONENT 7.1: AUDIT AND CONTROL

This component aims to ensure that the control framework of the Cypriot Recovery and Resilience Plan prevents, detects and corrects corruption, fraud and conflicts of interests when using the funds provided under the Recovery and Resilience Facility Regulation (RRF Regulation), as well as ensuring adequate arrangements to effectively avoid double funding under the RRF Regulation and other Union programmes.

O.1. Description of the reforms and investments for non-repayable financial support

Reform 1 (C7.1R1): Arrangements for the control framework of the Recovery and Resilience Plan

The objective of the measure is to improve the control framework of the Cypriot Recovery and Resilience Plan. To ensure an effective implementation of proportionate measures for the protection of the financial interests of the Union (PFIU) according to the Article 22 of the RRF Regulation,

The Council of Ministers shall adopt mandatory instructions prepared by the Coordination Authority and distributed upon their adoption to all relevant bodies.

The milestone under this measure shall be fulfilled by the time of submission of the next payment request to the Commission following the adoption of this Implementing Decision and shall be a prerequisite for any future payment.

The reform shall be completed by 31 December 2023.

O.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone
					Unit of measure	Baseline	Goal	Quarter	Year	
278	C7.1R1 Arrangements for the control framework of the Recovery and Resilience Plan	Milestone	Clear delimination between control and implementation duties	Adopted instructions and proof of dissemination to all Implementing Bodies.	-	-	-	Q4	2023	The Council of Ministers shall adopt mandatory instructions prepared by the Coordinating Authority which shall cover at least the following areas: • The risk assessment methodology to be applied for all verification types (administrative and on the spot), • Verifications for double funding and procedures for its avoidance, • The treatment of irregularities and the whistle blowing process followed for interventions (projects or schemes) funded by the Union, • Requirements for audit trail; • A central fraud risk assessment for all contracting authorities, taking into consideration all the elements outlined in the Guidance Note on Fraud Risk Assessment and Effective and Proportionate Anti-Fraud Measures for ESIF 2014-2020. Each contracting authority functioning under the RRP is mandated to comply with the action plan devised by the central fraud risk assessment team. • Establishment of specific functions for PFIU, dedicated to tackling issues related to fraud, corruption, and conflicts of

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone
					Unit of measure	Baseline	Goal	Quarter	Year	
										interest in Implementing Bodies implementing aid schemes under the RRP. The instructions shall be distributed to all entities involved in the implementation, monitoring and control of the RRP and shall clearly segregate their responsibilities, ensuring a clear separation between control and implementation duties and shall require that controls are conducted in alignment with them.

2. Estimated total cost of the recovery and resilience plan

The estimated total cost of the recovery and resilience plan of Cyprus is EUR 1 020 659 255.

The estimated total cost of the REPowerEU chapter is EUR 104 580 000. In particular, the estimated total costs of the measures referred to in Article 21c(3), point (a) of Regulation (EU) 2023/435 is EUR 0 whilst the costs of the other measures in the REPowerEU chapter is EUR 104 580 000.

SECTION 2: FINANCIAL SUPPORT

1. Financial contribution

The instalments referred to in Article 2(2) shall be organised in the following manner:

1.1. First Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
21	C2.1R2 Independence of Cyprus Transmission System Operator (TSOC) from the incumbent Electricity Authority of Cyprus	Milestone	Law for the Regulation of the Electricity Market of 2021
23	C2.1R4 Energy Storage Regulatory Framework	Milestone	Amendment of the Transmission and Distribution Rules (TDRs) and Trading and Settlement Rules (TSRs)
24	C2.1I1 Promoting energy efficiency investments in SMEs and non-profit organisations	Milestone	Support scheme for Promoting energy efficiency investments in SME and non-profit organisations
27	C2.1I2 Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers	Milestone	First call for proposals for Promoting renewables and individual energy efficiency measures in dwellings
30	C2.1I3 Encouraging the use of renewables and energy savings by local/wider public authorities and facilitating the transition of local communities towards climate mitigation & adaptation	Milestone	First call for proposals to support local authorities in energy efficiency measures

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
93	C3.1I2 Enhancement of isotopic database of traditional Cypriot products.	Milestone	Liquid Chromatography-Isotopic Ratio Mass Spectrometer (LC-IRMS) equipment
109	C3.1R4 Enhancement of circular economy in the Industry	Milestone	Approval of the National Action Plan for the Enhancement of Circular Economy in Cyprus
160	C3.4R3 Introduce new framework for evaluation and selection process for filling public service vacancies and new regulations for the evaluation of employees' performance	Milestone	Entry into force of legislation for the evaluation and selection process for public service vacancies and regulations for employees' performance evaluation.
186	C3.4I8 Upgrading the infrastructure of courts	Milestone	Extension of the Famagusta District Court
188	C3.4R10 Improving the legal and institutional framework for fighting corruption	Milestone	Entry into force of the law on Transparency in Decision-Making and Related Matters
189	C3.4R10 Improving the legal and institutional framework for fighting corruption	Milestone	Entry into force of the law to protect whistle-blowers
192	C3.5R2 Framework and Action Plan for addressing NPLs	Milestone	Entry into force of the package of amending laws regarding credit acquiring companies (CAC) and credit servicers to improve the working environment for non-performing loans management

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
232	C4.2I1 Digitalisation in various Central Government Ministries – Services	Milestone	Repository system for audit and control: information for monitoring implementation of RRF
249	C5.1R5 E-skills Action Plan – Implementation of specific actions	Milestone	National e-Skills Action Plan is adopted by the Council of Ministers
		Instalment Amount	EUR 97 701 149

1.2. Second Instalment (non-repayable support) :

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
7	C1.1I2 Cyprus Innovative Public Health information and communications technology (ICT) System	Milestone	Influenza Sentinel Surveillance (ISS)System
35	C2.1I5 Energy Efficiency Upgrading of public buildings	Target	Thermal insulation and photovoltaic systems installed in schools
45	C2.1I9 Forests fire protection	Milestone	Signing of 8 Agreements/ Contracts Signatures for the purchase of vehicles, equipment and provision of services and issue of call for tenders for the purchase of firefighting aircraft
71	C2.3I3 Integrated Monitoring and Control Management System for the Water Development Department's infrastructure	Milestone	Completion of the detailed requirements analysis and system design document

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
87	C3.1R2 On-line platform for improving the trade and information symmetry in the fresh produce supply chain	Milestone	Law on unfair practices in transactions in the local fresh produce market
97	C3.1I5 Creation of a National Commercial Identity and promotion of the traditional product “halloumi”	Milestone	Action Plans for (a) the “made in Cyprus” branding, and (b) for the promotion of the halloumi cheese
105	C3.1I9 Promotion of circular economy in hotel establishments	Target	Coaching scheme for circular economy
122	C3.2R2 Incentives for investments and human capital in R&I	Milestone	Tax exemption of legal entities for investing in innovative companies
125	C3.2I1 Set up and operate a central Knowledge Transfer Office (KTO)	Milestone	Launch of KTO
134	C3.3R1 Facilitation of Strategic investments	Milestone	Law for strategic investments
155	C3.4R1 Enhance the administrative capacity and improve the functioning of public administration for better policy making and implementation	Milestone	Action Plan on the efficient management of human resource issues in the national public administration
187	C3.4R10 Improving the legal and institutional framework for fighting corruption	Milestone	Entry into force of the law establishing the Independent Authority against Corruption
207a	C3.5R9 Improving tax collection and effectiveness of the Tax Department	Milestone	Operation of VAT Services within an Integrated Tax Administration System (ITAS)
214	C4.1R1 Empower the National Regulatory Authority (OCECPR)	Milestone	Launch of the geographical survey and entry into force of secondary legislation

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
233	C4.2I1 Digitalisation in various Central Government Ministries – Services	Target	Start of the digital upgrade of a number of central government ministries and departments
278	C7.1R1 Arrangements for the control framework of the Recovery and Resilience Plan	Milestone	Clear delimitation between control and implementation duties
		Instalment Amount	EUR 87 136 829

1.3. Third Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
5	C1.1I1 New facilities for the Cyprus Blood Establishment and procurement of the latest technology attendant equipment	Milestone	Contract signature for the construction of the Cyprus Blood Establishment
22	C2.1R3 Digital One-Stop Shops to streamline RES projects permitting and to facilitate Energy Renovation in Buildings	Milestone	Fully operational IT platform
77a	C2.3I5 Anti-flood and water collection measures	Milestone	Completion of construction works of drainage network and reconstruction of streets and pavements in areas of Nicosia
85	C3.1R1 Move agricultural practices from the 20th century to the 21st century by investing in a national centre for excellence in agri-tech	Milestone	Cooperation between the Agricultural Research Institute and public universities, for joint MSc and PhD programmes
95	C3.1I3 Upskill existing and future farmers	Target	Scholarships granted

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
120	C3.2R1 National R&I Policy and policy tools	Milestone	Adoption of the national R&I Strategy and of the Action Plan to implement it
123	C3.2R3 Policies to foster access to publicly funded research infrastructure and laboratories	Milestone	Digital registry to record and publish research infrastructure
127	C3.2I2 Innovation funding programmes for start-ups, innovative companies and SMEs	Milestone	Signature of grant agreements for 50% of budget
130	C3.2I3 R&I funding program on green transition	Milestone	signature of grant agreements for a R&I funding programme of EUR 6 mln budget
136	C3.3R2 Enhancing Fast-Track Business Activation Mechanism	Milestone	Establishment of an electronic system where investors can submit their online application
143	C3.3R6 Incentives to promote mergers and acquisitions.	Milestone	Action Plan for incentives for mergers and acquisitions
151	C3.3I6 State funded equity fund	Milestone	Setup of the Fund
173	C3.4I4 Enhancing e-system for issuing building permits	Milestone	Enhancement of the e-application environment of the Hippodamos System
194	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Milestone	Extension of the New Planning and Building Permit Policy
195	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Milestone	Entry into force of the amendment of the Sale of Property (Specific Performance) Law
199	C3.5R5 Action plan for the development of a liability monitoring register	Milestone	Action Plan for the development of a liability monitoring register

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
201	C3.5R6 Reinforcing and strengthening the insolvency framework	Milestone	Full implementation and full operation of the legal and institutional framework for insolvency
209	C3.5R10 Addressing Aggressive Tax Planning	Milestone	Entry into force of the law to tackle aggressive tax planning
224	C4.2R1 Digital Services Factory	Milestone	Definition of the Service Delivery Model for the Digital Services Factory
251	C5.1I1 Construction of one Model Technical School	Milestone	Contract for the construction of one Technical School
266	C5.2I4 Child Centres in Municipalities	Target	Construction of at least one child centre
268	C5.2I5 Construction of Two Model Special Education Schools	Milestone	Signing of contract with the selected tenderer (contractor)
		Instalment Amount	EUR 103 036 204

1.4. Fourth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
3	C1.1R2 Design of an Electronic platform for the surveillance of Nosocomial Antibiotic Consumption and Healthcare – Associated Infections	Milestone	Adoption of the list of health care facilities
43	C2.1I8 Monitoring and reduction of GHG emissions in agriculture	Milestone	Purchase and installation of monitoring units for measuring GHG emissions from agriculture
48	C2.1I10 Market Management System to facilitate the opening of the electricity market to competition	Milestone	Installation of the Market Management System
74a	C2.3I4 Smart Water and Sewerage Networks Management	Target	Delivery and installation of photovoltaics at the Larnaca Wastewater Treatment Plant
86	C3.1R1 Move agricultural practices from the 20th century to the 21st century by investing in a national centre for excellence in agri-tech	Milestone	New joint Masters and/or PhDs in the wider domain of Agriculture
132	C3.2I4 Funding to organisations performing R&D activities on dual technologies	Milestone	Signing of grant agreements which commit 80% of total budget for funding to organisations performing R&D activities on dual technologies
135	C3.3R1 Facilitation of Strategic investments	Milestone	Organisational capacity's enhancement for the facilitation of strategic investments

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
140	C3.3R4 Design and establish a National Promotional Agency	Milestone	Approval by the Council of Ministers of the roadmap for the creation and establishment of a National Promotional Agency
147	C3.3I4 Scheme for the digital upgrade of enterprises	Milestone	Publication of call for proposals following approval of the scheme by the Council of Ministers
158	C3.4R2 Regulate flexible working arrangements in the public sector	Milestone	Decision on flexible working arrangements in the public sector
193	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Target	Reduction of backlog of cases for issuance of title deeds either by issuing title deeds or by rejecting the case
197	C3.5R4 New legal framework and system of exchange of data and credit bureau	Milestone	Entry into force of the framework and system of exchange of data legislation
220	C4.1I2 Upgrade internet connection to be “Gigabit-ready” and promote connectivity take-up	Target	Expansion of Gigabit-ready internet connection take-up by households
229	C4.2R3 Police Procedures digitalisation on Digipol	Milestone	Digipol prototype operational
236	C4.2I2 Digitalisation of the Cyprus Ports Authority	Target	Start of the digital upgrade of the Cyprus Ports Authority
255	C5.2R2 Flexible Work Arrangements in the Form of Telework	Milestone	Entry into force of the law for flexible work arrangements in the form of telework

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
		Instalment Amount	EUR 89 251 156

1.5. Fifth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
9	C1.1I3 Purchase/replacement of medical equipment in hospitals	Target	Health institutions having benefitted from the financial support scheme
13	C1.1I6 Deployment of generic cross border e-health services in Cyprus	Milestone	Completion of the analysis, design and development phase of the IT System for cross-border e-health services
28a	C2.1I2 Promoting renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers	Target	Dwellings and households with vulnerable electricity consumers (including people with disabilities) having improved their energy performance
36	C2.1I5 Energy Efficiency Upgrading of public buildings	Target	Completion of set up and installation of photovoltaics system at the Nicosia General Hospital
38	C2.1I6 Upgrading renewable energy and smart grids testing infrastructure at the University of Cyprus	Milestone	Signature of contracts for the installation of equipment to upgrade the electricity grid into a smart grid
55	C2.2R3 Progressively phase out the most polluting vehicles, especially in polluted urban areas	Milestone	Entry into force of the legislative act related to the phasing out of the most polluting vehicles
100	C3.1I7 Scheme for the enhancement of the competitiveness and/or the energy efficiency of large enterprises in Cyprus	Milestone	Start of the grant scheme on large enterprises
112	C3.1I12 Waste management towards circular economy	Milestone	Signature of the contract for the installation of Green kiosks
128	C3.2I2 Innovation funding programmes for start-ups, innovative companies and SMEs	Target	Completed projects to carry out R&I related activities

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
156	C3.4R1 Enhance the administrative capacity and improve the functioning of public administration for better policy making and implementation	Milestone	New human resources management framework for Cyprus Police
163	C3.4R5 Enhancement of the capacity of the Law Office	Milestone	New IT system for the Law Office
167	C3.4I3 Economic Policy Modelling Hub	Milestone	Setting up a Modelling Hub for Economic Policy Analysis
180	C3.4R8 Efficiency of Justice	Milestone	Entry into force of new Rules of Civil Procedure
196	C3.5R3 Strategy for addressing inadequacies of the property transaction system (title deeds)	Milestone	Review of the Streets and Building Law
203	C3.5R7 Strategy for Combating Financial Illiteracy	Milestone	Strategy for Combating Financial Illiteracy
205	C3.5R8 Enhancing supervision of Insurance and Pension Funds	Milestone	Supervisory tools including data collection and analysis tool
206	C3.5I1 Enhancement of the Supervisory Function of the Cyprus Securities and Exchange Commission	Milestone	Digital system for supervision of transactions for the Cyprus Securities and Exchange Commission
207b	C3.5R9 Improving tax collection and effectiveness of the Tax Department	Milestone	Purchase of the new building for the integrated Nicosia District Office and Large Taxpayers' Office
212	C3.5I2 Modernisation of Customs and Electronic Payment System	Target	Putting into operation the information systems– envisaged under the Union Customs Code (UCC)
217	C4.1I1 Expansion of Very High Capacity Networks in underserved areas	Milestone	Start of very high capacity networks' deployment in underserved areas
225	C4.2R1 Digital Services Factory	Target	Expansion of delivery of government services online through the Digital Services Factory
231	C4.2R4 Setting up the beneficial ownership registry	Milestone	Beneficial ownership registry available for use

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
243	C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four	Milestone	Entry into force of the new Law regarding the gradual extension of free compulsory pre-primary education from the age of four years and adoption of aid schemes by the Council of Ministers
		Instalment Amount	EUR 88 089 650

1.6. Sixth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
19	C2.1R1 Green Taxation	Milestone	Entry into force of legal acts introducing a carbon tax on transport fuels, an increase of existing water fees and a charge on the landfill of municipal waste
40	C2.1I7 Mass installation by the Distribution System Operator (DSO) of Smart Metering Infrastructure (Advanced Metering Infrastructure)	Milestone	Contract Signature for smart electricity metering infrastructure
52	C2.2R1 Installation of an Intelligent Transport System using Digital Twin technologies	Target	Installation and connection to the National Access Point of at least 150 sensors
78	C2.3I5 Anti-flood and water collection measures	Milestone	Construction works for the rainwater collection and recycling system in Kladeri area
80	C2.3I6 Water security projects	Target	Construction of two glass lined steel reservoirs in Nicosia district
103	C3.1I8 Added value of tourism	Target	Grant agreements signed with enterprises in the hospitality sector
144	C3.3I2 A Regulatory Sandbox	Milestone	Regulatory Sandbox
169	C3.4R6 New legal framework for Local Authorities and support measures	Milestone	New legal framework on local authorities
171	C3.4R7 Urban land consolidation	Milestone	Entry into force of the law on urban land consolidation
181	C3.4R8 Efficiency of Justice	Target	Reducing the backlog of cases and appeals

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
216	C4.1R2 Simplification of the administrative procedures for the deployment of VHCN	Milestone	Entry into force of the administrative acts for very high capacity networks' deployment
246a	C5.1R4 Digital transformation of school units with the aim of supporting digital skills and skills related to STEM education	Target	Classrooms digitally equipped
274	C6.1I3 Promoting extensive energy renovations of dwellings	Milestone	Support scheme for energy upgrading of dwellings
8	C1.1I2 Cyprus Public Health information System	Target	Sentinels registered in the module
237	C4.2I2 Digitalisation of the Cyprus Ports Authority	Target	IT infrastructure of the Cyprus Ports Authority
107	C3.1I10 Enrichment of tourism	Milestone	Aphrodite Route
88	C3.1R2 On-line platform for trade and information symmetry in the fresh produce supply chain	Milestone	Platform for recording transactions in the local fresh produce market
17	C1.1I5 Construction works and new equipment in Cyprus State Hospitals	Target	Construction works or purchase of equipment in Cyprus State hospitals
153	C3.3I1 Integrated Information system for the Department of Registrar of Companies and Intellectual Property	Milestone	System hardware, software and networking installation
		Instalment Amount	EUR 70 595 650

1.7. Seventh Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
39	C2.1I6 Expansion of the renewable energy and smart grids testing infrastructure at the University of Cyprus	Milestone	Acceptance of renewable energy and smart grids testing equipment

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
54	C2.2R2 Entry into force of legal act(s) regarding electric vehicle (EV) recharging infrastructure	Milestone	Entry into force of legal act(s) related to electric vehicle charging points
124	C3.2R3 Support access to publicly funded research infrastructure	Milestone	National Policy of the Republic of Cyprus for Open Science Practices
159	C3.4R2 Regulate flexible working arrangements in the public sector	Milestone	Flexible working arrangements
170	C3.4R6 New legal framework for Local Authorities and support measures	Milestone	Trainings
174	C3.4I4 E-system for issuing building permits	Milestone	Planning and control tool, project management tool. Software and hardware of Hippodamos
198	C3.5R4 Digital system for the exchange of data and the provision of credit scoring services	Milestone	Digital system of exchange of data and the provision of credit scoring services
200	C3.5R5 Framework for Management of Private Debt	Milestone	Entry into force of legal act(s) for the management of private debt.
210	C3.5R10 Addressing Aggressive Tax Planning	Milestone	Entry into force of legal act(s) to tackle aggressive tax planning
215	C4.1R1 Empower the National Regulatory Authority (OCECPR)	Milestone	Web portal on broadband and infrastructure mapping
227	C4.2R2 New cloud policy with regard to government IT systems and services and infrastructure set-up	Target	Two data centres with hosting services for government IT systems
239a	C5.1R1 Addressing skills mismatch between education and labour market (Secondary and Higher Education)	Milestone	Measures included inthe National Action Plan
258	C5.2I1 Supporting the Department of Labour and Public Employment Services and reinforcing support for young people	Target	Platform and systems accessible
261	C5.2I2 Establishment of multifunctional centres and childcare centres	Milestone	Adoption of a national strategy on early childhood education and care (ECEC) and action plan
267	C5.2I4 Child Centres in Municipalities	Target	Construction of at least four child centres
270	C5.2R1 Reform of the Social Insurance System and Restructuring of the Social Insurance Services	Milestone	Entry into force of the revised Social Insurance Law

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
16	C1.1R3 Gradually shifting the healthcare provision and reimbursement framework towards value-based models.	Milestone	Value-based reimbursement to be reflected for primary and in-patient care
142a	C3.3R8 The Provision of Crowdfunding Services for Business Law	Milestone	Entry into force of the legislation on the Provision of Crowdfunding Services for Business Law
6	C1.1I1 Cyprus Blood Establishment	Milestone	Blood establishment facilities and equipment
14	C1.1I6 Generic cross border e-health services in Cyprus	Milestone	Cross-border patient data exchange
66	C2.3R1 Water Resource Management Reform	Milestone	Adoption and publication of an action plan on water resource management
84	C2.3I8 Protection of the marine ecosystem from hazards through oil spills	Milestone	Delivery, quality inspection to verify their operational effectiveness and acceptance of three vessels and two aerial spraying systems
94	C3.1I2 Support of isotopic database of Cypriot food or drink products	Target	Products connected to the system
111	C3.1R5 Waste management coordination unit in the Department of Environment	Milestone	Waste management coordination unit
202	C3.5R6 Reinforcing the insolvency framework	Milestone	Digital systems of the Department of Insolvency accessible
221	C4.1I2 Upgrade internet connection to be “Gigabit-ready” and promote connectivity take-up	Target	Gigabit-ready internet connection take-up by at least 82 000 households
241	C5.1R2 A new teacher and school evaluation system	Milestone	Council of Ministers Decision for a new School Evaluation system and entry into force of the legal act(s) for a new Teacher and School Evaluation system
		Instalment Amount	EUR 137 455 974

1.8. Eight Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
2b	C1.1R1 National Centre for Clinical Evidence and Quality Improvement	Milestone	IT system for monitoring of clinical protocols
4	C1.1R2 Electronic platform for the surveillance of Nosocomial Antibiotic Consumption and Healthcare- Associated Infections	Milestone	Electronic platform
10	C1.1I3 Support for the purchase of medical equipment in private hospitals	Target	Private hospitals purchased medical equipment with funding from the financial support scheme
15	C1.1I7 Public warning system for emergency operations	Milestone	Public warning system gone live
26	C2.1I1 Energy saving investments in SMEs, and non-profit organisations	Target	Energy saving projects in buildings
37	C2.1I5 Energy Efficiency investment in public buildings	Target	Installation of photovoltaic systems in Fire Service Properties
44	C2.1I8 Monitoring and reduction of GHG emissions in agriculture	Target	Reduction of GHG emissions from agriculture
48a	C2.1I10 Market Management System (MMS) to facilitate the opening of the electricity market to competition	Milestone	First financial transactions of the MMS
53	C2.2R1 Installation of an Intelligent Transport System using Digital Twin technologies	Target	Installation and connection to the National Access Point of a total of 300 sensors
70	C2.3I2 Water Treatment Plants	Milestone	Projects in Water Treatements Plants
79	C2.3I5 Anti-flood and water collection measures	Milestone	Construction works for the flood channel in Livadia
108	C3.1I10 Enrichment of tourism	Target	Infrastructure works
115	C3.1I12 Waste management towards circular economy	Target	Installation of green kiosks
126	C3.2I1 Set up a central Knowledge Transfer Office (KTO)	Target	Progress report on the provision of knowledge transfer support services
137	C3.3R2 Supporting Fast-Track Business Activation Mechanism	Target	Application assessment through the platform
141	C3.3R4 Incorporation of a National Promotional Agency	Milestone	Incorporation of Cyprus National Promotional Agency

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
157	C3.4R1 Support the functioning of public administration	Milestone	Guidelines and manuals, legal act(s) and trainings on management of human resources in the public administration
162	C3.4R4 Digitalisation of public procurement	Milestone	E-procurement system
168	C3.4I3 Economic Policy Modelling Hub	Target	Number of impact assessment models and data analysis tools
172	C3.4R7 Urban land consolidation	Target	Number of plans for urban planning
185	C3.4I7 Training of judges	Milestone	Training of judges
213	C3.5I2 Modernisation of Customs and Electronic Payment System	Target	Information systems
219	C4.1I1 Expansion of Very High Capacity Networks in underserved areas	Milestone	Very high capacity networks are accessible in areas of no intreest to private investors
228	C4.2R2 New cloud policy with regard to government IT systems and services and infrastructure set-up	Milestone	Adoption of a national cloud policy by the Council of Ministers
230	C4.2R3 Police Procedures digitalisation (Digipol)	Milestone	Digipol accessible
235	C4.2I1 Digitalisation of Central Government Ministries/ Services	Target	Delivery of digital systems of five central government ministries and departments
238	C4.2I2 Digitalisation of the Cyprus Ports Authority	Target	IT infrastructure of Cyprus Ports Authority
250	C5.1R5 E-skills Action Plan – Delivery of specific actions	Milestone	Delivery of measures from the e-Skills Action Plan
254	C5.1I2 Skilling, Reskilling and Upskilling	Target	Trainings in programmes for digital, green, blue and entrepreneurial skills
256	C5.2R2 Flexible Work Arrangements in the Form of Telework	Target	Grants disbursed to employers for employing at least 300 persons
259	C5.2I1 Supporting the Department of Labour and Public Employment Services and reinforcing support for young people	Target	Grants disbursed to employers for hiring at least 450 young people not in employment or in education or training (NEETs)
269	C5.2I5 Construction of Two Model Special Education Schools	Milestone	Construction of two Special Needs School

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
272	C6.1R1 Regulating and facilitating the participation of citizens in the electricity market	Milestone	Single contact point for the participation of citizens in the electricity market
273	C6.1R2 Establishment of the regulatory framework for the connection of EV charging points	Milestone	Entry into force of Regulatory Decision/s on the connection of EV charging points
154	C3.3I1 Information system for the Department of Registrar of Companies and Intellectual Property	Target	Training courses
104c	C3.1I8 Added value of tourism	Milestone	Renovation of the Filoxenia Conference Centre
191a	C3.5R11 Legal framework for a National Sanctions Implementation Unit	Milestone	Legal framework for a National Sanctions Implementation Unit
		Instalment Amount	EUR 124 065 211

1.9. Ninth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
12	C1.1I4 Accreditation of health institutions	Target	Health institutions have received financial support for their accreditation
32c	C2.1I3 Facilitating the transition of local communities towards climate investments	Target	Grant scheme to support sustainable climate adaptation investments
42	C2.1I7 Mass installation by the Distribution System Operator (DSO) of Smart Metering Infrastructure (Advanced Metering Infrastructure)	Target	Acceptance and installation of smart meters
47	C2.1I9 Fire protection	Milestone	Acceptance of firefighting aircraft vehicles and equipment and construction of a fire station
61	C2.2I2 Creation of electro-mobility infrastructure	Target	Installation of charging points
63a	C2.2I3 Advance the use of Electric Vehicles (EVs)	Target	Purchase and registration of electric vehicles and electric bicycles
65	C2.2I3 Advance the use of Electric Vehicles (EVs)	Target	Scrapping of high emission vehicles
76b	C2.3I4 Smart Water and Sewerage Networks Management	Milestone	Energy and digital projects in Larnaca and Limassol
90	C3.1R3 Genetic improvement of the Cyprus sheep and goat population	milestone	Genomic evaluations registered in ARI database.
99	C3.1I6 Scheme for supporting the production of enterprises in agricutlural sector	Target	Grant agreements signed with companies in the agricultural sector
102a	C3.1I7 Scheme for the competitiveness and/or the energy efficiency of large enterprises in Cyprus	Target	Grant agreements signed with enterprises
104	C3.1I8 Added value of tourism	Target	Grant to hotels or other tourism establishments
106	C3.1I9 Circular economy in hotel establishments	Target	Certified circular hotels
110	C3.1R4 Circular economy	Target	Signed grant agreement with companies which are moving into a circular operating model

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
121	C3.2R1 National Research and Innovation Policy	Milestone	Performance-based funding mechanism; guideline(s) and recommendation(s) for accessing publicly funded infrastructures; framework for monitoring and coordinating the participation in ESFRI Landmarks
129	C3.2I2 Innovation funding programmes	Target	Projects on R&I activities
131a	C3.2I3 R&I funding program on green transition	Target	Projects on green transition R&I activities
133	C3.2I4 Funding schemes for R&D activities on dual-use technologies and classified laboratories	Target	At least 16 facility security clearance certificates issued.
148	C3.3I4 Scheme for the digital upgrade of enterprises	Target	Grant agreements signed
152	C3.3I6 State funded equity fund	Target	Investees supported through the Fund
176	C3.4I5 Smart cities	Target	Mobile applications and smart sensors
178	C3.4I6a Regeneration and Revitalisation of Nicosia Inner City	Target	Rooms converted to student dorms
183	C3.4R9 Digital transformation of courts	Milestone	i-justice system
208	C3.5R9 Digitalising tax collection	Milestone	Direct tax administration services of the Tax department within the ITAS
211	C3.5R10 Addressing Aggressive Tax Planning	Milestone	Entry into force of legal act(s) addressing aggressive tax planning
226	C4.2R1 Digital Services Factory	Target	At least 70 services through the Digital Services Factory
239b	C5.1R1 Addressing skills mismatch between education and labour market (Secondary and Higher Education)	Target	In-job shadowing programme
239c	C5.1R1 Addressing skills mismatch between education and labour market (Secondary and Higher Education)	Target	Laboratories equipped and updated
244	C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four	Target	Children aged between 4 years and 4 years and 8 months enrolled in public, communal and private kindergartens

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
245	C5.1R3 Gradual extension of free compulsory pre-primary education from the age of four	Target	New places in new or extended public kindergartens
246b	C5.1R4 Digital transformation of school units with the aim of enhancing digital skills and skills related to STEM education	Target	Support scheme for the digital equipment for pupils
248	C5.1R4 Digital transformation of school units with the aim of supporting digital skills and skills related to STEM education	Milestone	In-Service Training & Professional Development for Teachers
263	C5.2I2 Establishment of multifunctional centres and childcare centres	Target	Grant disbursed to at least 9 local authorities/ Non-Governmental Organisations for Multifunctional Centres or Child Centres
29b	C6.1I1 Scaled-up measure: Promoting renewables and individual energy efficiency measures in dwellings	Target	Energy efficiency measures in dwellings and tackling energy poverty
275	C6.1I3 Promoting energy renovations of dwellings	Target	Improving energy performance of dwellings
102b	C6.1I5 Scaled-up measure: Scheme for the enhancement of the competitiveness and the energy efficiency of large enterprises in Cyprus	Target	Signature of grants with 12 enterprises
131b	C6.1I6 Scaled-up measure: Thematic research and innovation funding program on green transition	Target	Projects on green transition R&I activities
277	C6.1I7 Thematic research in enterprises for energy production, storage, transmission and distribution solutions	Target	Projects on energy production, storage, transmission and distribution solutions R&I activities
81	C2.3I6 Water security projects	Target	Construction of water related infrastructure in N icosia, Larnaca and Limassol districts
77b	C2.3I5 Anti-flood and water collection measures	Milestone	Construction works of drainage network and reconstruction of streets and pavements in Nicosia and Limmasol districts

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
18	C1.1I5 Construction works and new equipment in Cyprus State Hospitals	Target	Construction works or purchase of equipment in Cyprus State hospitals
264	C5.2I3 Establishment of Home structures for people in need of long term care (LTC)	Target	Home structures for people in need of long-term care
204	C3.5R8 Enhancing supervision of Insurance and Pension Funds	Target	Employment of additional permanent employees of the Registrar of Occupational Retirement Benefits Fund (RORBF) and the Insurance Companies Control Service (ICCS)
138a	C3.3R7 Screening of Foreign Direct Investment	Milestone	Entry into force of the legal act(s) on foreign Direct Investment screening
28b	C2.1I2 Renewables and individual energy efficiency measures in dwellings and tackling energy poverty in households with vulnerable electricity consumers	Target	Energy efficiency measures in dwellings
116b	C3.1I11 Extension of the Cyprus Green Points Network	Target	Installation of six Green Points
271	C5.2R1 Reform of the Social Insurance System and Restructuring of the Social Insurance Services	Milestone	Integrated Social Insurance Information System.
58	C2.2I1 Sustainable Urban Mobility Projects (SUMP) and accessibility enhancing measures	Target	Costruction work for at least 35 km of sustainable transport routes
		Instalment Amount	EUR 222 891 848

SECTION 3: ADDITIONAL ARRANGEMENTS

1. Arrangements for monitoring and implementation of the recovery and resilience plan

The monitoring and implementation of the recovery and resilience plan of Cyprus has been set out in the Council of Ministers decision of 14 May 2021, which approved the plan. They shall take place in accordance with the following arrangements:

- The Monitoring Committee, chaired by the Director General of the Directorate General Growth, Ministry of Finance and attended by the Directors-General of Ministries and Deputy Ministries involved in the plan, shall be responsible for centrally monitoring progress in implementation, resolving issues and responding to risks at the highest technical level. It shall convene at least before each submission to the Commission of requests for payment and progress reports provided for under Regulation (EU) 2021/241. It may rely on reporting and other support from the Coordinating Authority.
- The Coordinating Authority, which is the Directorate for Recovery and Resilience of the Directorate General Growth, shall be responsible for the monitoring and implementation of the recovery and resilience plan at operational level. Specifically, the Coordinating Authority is responsible for monitoring, verifying and certifying the achievement of the milestones and targets of measures of the plan and ensuring the timely submission of all information described in Article 22(2), point (d) of Regulation (EU) 2021/241. In performing its monitoring functions, the Coordinating Authority is assisted by two specialised Monitoring Bodies designated for specific measures of the plan.
- The National Control and Audit Coordinator for the implementation of the plan, which is the Verifications and Certification Directorate of the Treasury of the Republic of Cyprus, shall be responsible for supporting the Coordinating Authority in overseeing controls by all stakeholders, including Implementing Bodies, in accordance with the management and control system of the plan and the national and EU legislation. In that respect, it shall also monitor the status of the findings of ex post audits, acting as the intermediate body between the Coordinating Authority and the Internal Audit Service of the Republic of Cyprus and the Audit Office of the Republic of Cyprus (together, “the audit bodies”). The National Control and Audit Coordinator shall not be involved in the planning and execution of the audits, which is within the sole responsibility of the audit bodies. It shall manage and process all information described in Article 22(2), point (d) of Regulation (EU) 2021/241,

collected by the Implementing Bodies. In this respect, it has the responsibility to oversee the treatment of serious irregularities, meaning fraud, corruption and conflicts of interests, and ensure that double funding is avoided through controls of the information submitted by the Implementing Bodies.

- The Implementing Bodies shall have the first line responsibility to prevent, detect, report and correct conflicts of interest, corruption and fraud, and avoid double funding. To that end, they shall undertake first level controls and verifications of the physical and financial aspect of the measures under their responsibility and regularly update the Coordinating Authority and the specialised Monitoring Bodies, where relevant, regarding progress in achieving the milestones and targets of the measures under their responsibility and by providing all the necessary supporting documentation.
- The Internal Audit Service of the Republic of Cyprus is responsible for conducting ex post internal audits in any central government body including the audit of the achievement of milestones and targets of the plan, through an appropriate sampling method. The Audit Office of the Republic of Cyprus is responsible for conducting financial, performance and compliance ex post (and in some cases real time) external audits for projects implemented under the national budget through an appropriate sampling method which complies with the International Organisation of Supreme Audit Institutions (INTOSAI) standards. It shall be ensured that the selected sample necessarily includes a sufficient number of measures implemented through the the recovery and resilience plan.
- The Coordinating Authority shall be the body drawing up the requests for payment to the European Commission. The Coordinating Authority shall be supported by the National Control and Audit Coordinator in retrieving the results of audit procedures undertaken by the audit bodies (including the Internal Audit Service and the Audit Office), as well as all cases of serious irregularities, including cases of fraud or suspicion of fraud, corruption and conflicts of interest, that shall feed into the summary of audits, which shall accompany payment applications.

2. Arrangements for providing full access by the Commission to the underlying data

A dedicated Monitoring Information System (MIS) shall be used by the Directorate for Recovery and Resilience of the Directorate General Growth for the implementation of the plan. Its core functionalities, or a contingent repository system with the required functionalities, shall be in place as attested by an audit report by 31 March 2022. In terms of required functionalities, a repository system shall record and store the relevant data

related to the implementation of the recovery and resilience plan, in particular on the achievement of milestones and targets, data on final recipients, contractors, subcontractors and beneficial owners in line with Article 22(2), point (d), sections (i) to (iii) of Regulation (EU) 2021/241, by the first payment request.

In accordance with Article 24(2) of Regulation (EU) 2021/241, upon completion of the relevant agreed milestones and targets in Section 1 of this Annex, Cyprus shall submit to the Commission a duly justified request for payment of the financial contribution and of the loan. Cyprus shall ensure that, upon request, the Commission has full access to the underlying relevant data that supports the due justification of the request for payment, both for the assessment of the request for payment in accordance with Article 24(3) of Regulation (EU) 2021/241 and for audit and control purposes.